

NATIONAL ASSEMBLY

OFFICIAL REPORT

Thursday, 19th June, 2008

The House met at 2.30 p.m.

[Mr. Speaker in the Chair]

PRAYERS

COMMUNICATIONS FROM THE CHAIR

LOSS OF ALLOTTED DAYS DUE TO LACK OF QUORUM

Mr. Speaker: Hon. Members, I have two issues on which I wish to communicate. First, as you will recall, the Financial Statement on the Annual Estimates was laid on the Table of the House by the Minister for Finance on Thursday, 12th June, 2008, pursuant to the provisions of Standing Order No.133. The Debate on the Financial Statement is limited to seven days exclusive of the Mover's Speech and reply, pursuant to Standing Order No.137.

Hon. Members, Debate on the Financial Statement was slotted in the Order Paper on Tuesday, 17th June, 2008, which was the First Allotted Day. Unfortunately, the House adjourned due to lack of quorum. Consequently, the day was lost as the sitting period did not fulfil the terms of Standing Order No.135 which defines the day for the purposes of considering matters pertaining to Supply and Ways and Means as any period of not less than three hours prior to 1 p.m. or of not less than three hours between 2.30 p.m. and 7.00 p.m. and of not less than three hours after 7.00 p.m. Therefore, the First Allotted Day was repeated on Wednesday during the morning sitting which, however, also experienced a quorum hitch. The Wednesday afternoon sitting which was the Second Allotted Day adjourned early due to lack of quorum and was hence totally wasted.

As you have noted in today's Order Paper, the Second Allotted Day has had to be repeated. Hon. Members, I am taking time to highlight these very unfortunate incidents and events in order to remind you of the importance of taking the Business of the House seriously and, in particular, in consideration of the Budget due to its critical policy implications. I note with concern that the Vote on Account, which authorises the withdrawal from the Consolidated Fund of monies not exceeding in total one half of the sums included in the Estimates must be approved before 26th June. This in essence means that up to half of the Budget expenditure will be approved without exhaustive debate which, in my view, is a very grave matter indeed.

Let me, therefore, take this opportunity to remind all hon. Members, without any exception, of their cardinal duty and responsibility of appropriation, legislation and taxation and at the same time appeal to the Leader of Government Business to address the worrying trend as a matter of priority.

Thank you.

GRANTING OF AUTHORISATION TO KBC FOR INSTALLATION

OF TV CAMERAS IN THE CHAMBER

Secondly, hon. Members, on Tuesday, 17th June, 2008, the Chair issued [**Mr. Speaker**] a Communication regarding the permission granted to the national broadcaster, the Kenya Broadcasting Corporation (KBC), to undertake trial-runs of live radio broadcast with effect from Tuesday, 17th June, 2008, until Parliament sets up its own independent broadcast service. Further to the permission given to the KBC for live radio broadcast, I have authorised the Corporation to instal television cameras and record images to complement the broadcast and to undertake technical trials which will culminate into live television broadcast. The other terms of the Communication given on Tuesday, 17th June, 2008, remain the same.

Thank you.

PAPERS LAID

The following Papers were laid on the Table:-

Annual Report and Accounts of the Kenya Pipeline Company for the year ended 30th June, 2007 and the certificate thereon by the Controller and Auditor-General.

*(By the Assistant Minister for
Finance (Dr. Oburu) on behalf
of the Minister for Energy)*

Annual Report and Accounts of the Kenya Tourist Board for the year ended 30th June, 2007 and the certificate thereon by the Controller and Auditor-General.

Annual Report and Accounts of the Kenya Utalii College for the year ended 30th June, 2007 and the certificate thereon by the Controller and Auditor-General.

Annual Report and Accounts of the Kenyatta International Conference Centre for the year ended 30th June, 2008 and the certificate thereon by the Controller and Auditor-General.

*(By the Assistant Minister for
Finance (Dr. Oburu) on behalf
of the Minister for Tourism)*

Annual Report and Accounts of the Commissioner of Insurance for the year ended 31st December, 2006 and the certificate thereon by the Controller and Auditor-General.

Annual Report and Accounts of Policyholders' Compensation Fund for the year ended 30th June, 2007 and the certificate thereon by the Controller and Auditor-General.

*(By the Assistant Minister for
Finance (Dr. Oburu) on behalf
of the Minister for Finance)*

Annual Report and Accounts of the Kenya Plant Health Inspectorate Services (KEPHIS) for the year ended 30th June, 2007 and the certificate thereon by the Controller and Auditor-General.

(By the Assistant Minister for

*Finance (Dr. Oburu) on behalf
of the Minister for Agriculture)*

Annual Report and Accounts of the Kenya National Commission on Human Rights for the year ended 30th June, 2007 and the certificate thereon by the Controller and Auditor-General.

*(By the Assistant Minister for Finance
(Dr. Oburu) on behalf of the Minister
for Justice, National Cohesion and
Constitutional Affairs)*

Annual Report and Accounts of the University of Nairobi for the year ended 30th June, 2007 and the certificate thereon by the Controller and Auditor-General.

*(By the Assistant Minister for Finance
(Dr. Oburu) on behalf of the Minister
for Higher Education, Science
and Technology)*

Annual Report and Accounts of Kenya Investment Authority for the year ended 30th June, 2007 and the certificate thereon by the Controller and Auditor-General.

*(By the Assistant Minister for Finance
(Dr. Oburu) on behalf of the Minister
for Industrialization)*

Annual Report and Accounts of Kenya Institute of Administration for the year ended 30th June, 2007 and the certificate thereon by the Controller and Auditor-General.

*(By the Assistant Minister for Finance
(Dr. Oburu) on behalf of the Minister
of State for Public Service)*

Annual Report and Accounts of Kenya National Environment Management Authority (NEMA) for the year ended 30th June, 2007 and the certificate thereon by the Controller and Auditor-General.

*(By the Assistant Minister for Finance
(Dr. Oburu) on behalf of the Minister
for Environment and Mineral
Resources)*

Annual Report and Accounts of the National Social Security Fund (NSSF) for the year ended 30th June, 2006 and the certificate thereon by the Controller and Auditor-General.

*(By the Assistant Minister for Finance
(Dr. Oburu) on behalf of the
Minister for Labour)*

Annual Report and Accounts of the National Co-ordinating Agency for Population and Development for the first Accounting Period ended 30th June, 2007 and the certificate thereon by the Controller and Auditor-General.

*(By the Assistant Minister for Finance
(Dr. Oburu) on behalf of the Minister
of State for Planning, National
Development and Vision 2030)*

QUESTIONS BY PRIVATE NOTICE

REVISION OF OFFICIAL SEARCH FEES IN LAND REGISTRIES

Mr. Bett: Mr. Speaker, Sir, I beg to ask the Minister for Lands the following Question by Private Notice.

(a) Could the Minister explain the facts that informed the sudden decision to raise official search fees in land registries from Kshs100 to Kshs3,000 per search?

(b) Considering that land ownership is critical in the fight against poverty, could the Minister revise the fees downwards to a reasonable rate?

The Minister for Lands (Mr. Orengo): Mr. Speaker, Sir, I have begged the indulgence of the hon. Member that I answer this Question on Tuesday next week and he has agreed to accommodate me. There is also a request for a Ministerial Statement on the same issue from hon. K. Kilonzo and I will deal with both aspects comprehensively on Tuesday. It is going to be good news. Do not be anxious so much!

Mr. Bett: Mr. Speaker, Sir, I have no objection, but without pre-empting him, I hope he comes with a promise to waive the fees altogether.

Mr. Speaker: Mr. K. Kilonzo!

Mr. K. Kilonzo: That is okay with me, Mr. Speaker, Sir.

Mr. Speaker: It is ordered that the Question is deferred to Tuesday next week and so is the Ministerial Statement. The Question is to be listed as No.1 on the Order Paper.

(Question deferred)

IRREGULAR NOMINATION OF PETER DERICK EJORE TO LODWAR MUNICIPAL COUNCIL

Mr. Ethuro: Mr. Speaker, Sir, I beg to ask the Deputy Prime Minister and Minister for Local Government the following Question by Private Notice.

(a) Is the Deputy Prime Minister and Minister for Local Government aware that Mr. Peter Derick Ejore Emathe was illegally nominated to Lodwar Municipal Council?

(b) When is he going to nominate the proper name submitted by political parties to the Electoral Commission of Kenya (ECK)?

(c) What urgent steps is he taking to ensure that such anomalies do not recur in the future?

The Minister for Justice, National Cohesion and Constitutional Affairs (Ms. Karua): Mr. Speaker, Sir, may I seek your indulgence that the Office of the Deputy Prime Minister and Ministry of Local Government answers this Question next week. I really regret the delay, but both

the Deputy Prime Minister and the Assistant Minister are not in. I feel that attention to detail in supplementaries would not be covered if I attempted to read the answer.

Mr. Ethuro: Mr. Speaker, Sir, you will recall that yesterday you threatened to shoot my Question down, because it had been deferred the previous day because the Minister was absent. While I would not mind allowing the Deputy Prime Minister and Minister for Local Government to respond to it next week, given the gravity of this problem, any time wasted means that somebody is holding office illegally. Given that the bloated Cabinet is in existence, why can the Deputy Prime Minister and Minister for Local Government not find time to come and respond?

Mr. Speaker: Madam Minister, do you want to say something?

The Minister for Justice, National Cohesion and Constitutional Affairs (Ms. Karua): Yes, I just want to apologise on behalf of the Deputy Prime Minister and Minister for Local Government. He is actually out of the country on official duty, and I do not know why the Assistant Minister is not in. I apologise.

An hon. Member: He is also out!

The Minister for Justice, National Cohesion and Constitutional Affairs (Ms. Karua): I am told that he is also out of the country. I apologise for that.

Mr. Speaker: Order, hon. Members! Those circumstances appear to give a reasonable account as to why this Question cannot be answered today. Given the communication that I made earlier to the House, it is imperative that the Government side of this House takes the business of the House very seriously. Indeed, the Chair is aware that the Cabinet, as currently constituted, is upward of 90 Members. Therefore, there is no tenable reason whatsoever as to why this House should lack quorum at any given moment, let alone the Government side failing to attend to its business. The sword of justice will apply equally.

(Question deferred)

HARASSMENT OF KENYAN FISHERMEN
BY TANZANIAN/UGANDAN AUTHORITIES

Mr. Anyanga: Mr. Speaker, Sir, my names are Mr. Omondi Anyanga and I represent Nyatike Constituency.

Mr. Speaker, Sir, I beg to ask the Minister for Foreign Affairs the following Question by Private Notice.

(a) Is the Minister aware that there has been continued harassment of Kenyan fishermen in Lake Victoria by Tanzanian and Ugandan authorities?

(b) Is he further aware that several Kenyan fishermen are being held illegally by Tanzanian and Ugandan authorities respectively for allegedly fishing in their territories?

(c) What urgent steps has the Minister taken to ensure that the arrested Kenyans are released, and the harassment is stopped?

The Minister for Foreign Affairs (Mr. Wetangula): Mr. Speaker, Sir, I beg to reply.

(a) Yes, I am aware of intermittent cases where Kenyan fishermen have been arrested by Tanzanian and Ugandan authorities while fishing in Lake Victoria. However, the Minister, in conjunction with the Ministry of State for Provincial Administration and Internal Security, has always intervened in such cases, and sought the release of those who are arrested.

(b) Yes, I am also aware that six Kenyan fishermen were arrested on 10th May, 2008 while fishing on Tanzanian territory. I have instructed the Kenya High Commissioner in Dar-es-Salaam to establish the circumstances that led to the arrest, and it is upon receipt of this information that I would determine the appropriate course of action to take. However, I am not aware of any Kenyans

currently being held by the Ugandan authorities.

(c) I have instructed our Mission in Tanzania to establish the circumstances and, further, the East African Community (EAC) partner States of Kenya, Uganda and Tanzania share Lake Victoria, and, although the boundaries are well-defined, they are obviously not understood, or appreciated, by the fishermen. The three partner States have embarked on various initiatives aimed at harmonising the approach towards tackling the problem of fishermen poachers. This includes regular meetings of the joint border commissioners and administrators.

Mr. Anyanga: Mr. Speaker, Sir, I think I am satisfied with the answer.

Mr. Speaker: The Questioner is satisfied!

Mr. K. Kilonzo: Mr. Speaker, Sir, you will appreciate that when a Question is asked, it is not only for the Questioner alone but for all Kenyans.

According to the answer by the good Minister, he has said that the borders are well-defined but the fishermen do not understand them. How can the borders be well-defined yet the fishermen do not understand them? Could the Government come up with easier means of demarcating those borders, so that the fishermen can understand them?

Mr. Wetangula: Mr. Speaker, Sir, my good friend does understand that it is very difficult to have visible borders on the lake, or in the water or sea. Secondly, while we do appreciate that the fishermen have not understood or appreciated the borders, you know that under the East African Community Treaty and Protocol, Kenya, Uganda, Tanzania, Rwanda and Burundi are destined to collapse their borders by 2013. That means that the issue of who is fishing in whose waters will not arise. In the meantime, the EAC has the Lake Victoria Commission that is working out ways and means of harmonising the exploitation of the resources of the lake, which will include allowing fishermen from either country to fish in the waters, provided the rate at which they fish, the quantity of the fish they take and the ages and sizes of the fish are properly regulated, so that we do not have over-fishing and over-exploitation of the resource that is so valuable to this region.

Dr. Khalwale: Mr. Speaker, Sir, the breeding of fish in Lake Victoria takes place in Kenya, upstream. When the poor fishermen of Kenya are caught in Uganda and Tanzania, the truth is that they are merely following their fish. Could the Minister tell us what he is doing to remind Tanzanians and Ugandans that they should give some form of concession to us because we allow them to reap where they did not sow?

Mr. Wetangula: Mr. Speaker, Sir, first of all, the issue that fish breed in Kenyan waters and migrates to Tanzanian and Ugandan waters is not scientific at all. That is a view that was repeatedly propagated on this Floor by the former Member of Parliament for Nyatike, Mr. Ochola Ogur. I believe Dr. Khalwale took it literally.

Mr. Speaker, Sir, I have said that there is a process to create harmony between the three States. Once it is done, the arrest of fishermen that is repeatedly done by Ugandan and Tanzanian authorities--- Wherever it is done, we intervene and get them released. There is also an allegation that Kenyan fishermen, who are more aggressive than their Ugandan and Tanzanian counterparts, use nets that scoop out fish, including fingerlings. We have advised the authorities to give proper advice to the Kenyan fishermen as to what kind of gear they should use so that, when they are caught up in the waters of our neighbouring States, the only offending thing should be that they are in other territorial waters, rather than using illegal gear.

Mr. Speaker: Last question, Mr. Ethuro!

Mr. Ethuro: Mr. Speaker, Sir, the issue of fish poaching or poachers is not only found in Lake Victoria. It is also in Lake Turkana where Turkana fishermen following fish are caught on the other side of Marsabit District. But back to the Question about Lake Victoria, the Minister has admitted that hon. Ochola Ogur and Dr. Oburu have repeatedly asked the Question of the fate of our own fishermen every time they are arrested in Uganda or Tanzania. How long will it take the

Minister to get the information and solve the matter? This is just the latest episode on this particular issue? This issue has been here with us for a very long time.

Mr. Wetangula: Mr. Speaker, Sir, we have a Ministry of Fisheries Development and Members of Parliament from those areas. We all have a duty, particularly colleagues who represent areas that touch on the lake, to give constant advice to their constituents that, when they go to the lake to fish, they can only go so far and that, when they stray into the territorial waters of our neighbours, we have no jurisdiction over them. They should not do that. But as I said, it is difficult for the fishermen from rural areas to appreciate even the basic simple logic that Lake Victoria, large as it is, Kenya has only 6 per cent. The rest is Uganda and Tanzania. But our fishermen will wander all over the lake and whenever they are arrested, we always take the earliest available opportunity to contact our neighbours and have them released. In fact, in many cases, they are normally not charged. The only penalties they suffer is when they have illegal gear, which is normally impounded by Uganda and Tanzania.

Mr. Speaker: Order, hon. Members! Commendation for the Minister for Foreign Affairs is deserved this afternoon, because he has answered the Question to the satisfaction of the Questioner. The Questioner has said so. This, indeed, is not a very frequent occurrence in this House. I want to urge the colleagues of the Minister for Foreign Affairs to emulate his example.

(Applause)

Next Question by Mr. Washiali!

ORAL ANSWERS TO QUESTIONS

Question No.072

LIST OF SHAREHOLDERS OF MOCO (1998)

Mr. Washiali asked the Minister for Agriculture:-

(a) whether he is aware that Mumias Outgrowers Company (MOCO), which was established by an Act of Parliament as a trustee for sugar-cane farmers, converted into MOCO (1998) Limited, a company limited by shares;

(b) whether he could table a list of the current shareholders of MOCO (1998) Limited and indicate the amount in dividends paid to them since 1998; and,

(c) considering the above changes in legal status, what role does the company play in the welfare of farmers in the Mumias Sugar Belt.

The Assistant Minister for Agriculture (Mr. Ndambuki): Mr. Speaker, Sir, I beg to reply.

(a) I am aware that Mumias Outgrowers Company (MOCO), was established by an Act of this House as a trustee for sugar-cane farmers. It converted into MOCO (1998) Limited, a company limited by shares.

(b) I wish to table a list of all the shareholders of that company.

Mr. Speaker, Sir, may I ask that the carton containing the list be brought? Yesterday, I brought a Compact Disk (CD) which was going to make work so easy. I even wonder why we have computers in our offices! They could not really accept a CD.

Mr. Speaker, Sir, with your permission, could I bring the carton?

Mr. Speaker: Yes, Mr. Assistant Minister! Proceed!

(Mr. Ndambuki walked to the Bar and

brought a carton to the Dispatch Box)

The Assistant Minister for Agriculture (Mr. Ndambuki): Mr. Speaker, Sir, we used ten reams to print this list. Here are the shareholders of MOCO (1998) Limited.

*(Mr. Ndambuki laid the documents
on the Table)*

(c) The company offers the following services for the welfare of farmers in Mumias Sugar Belt:-

Land preparation, transportation of cane and artificial insemination.

Mr. Washiali: Mr. Speaker, Sir,---

The Assistant Minister for Roads (Dr. Machage): On a point of order, Mr. Speaker, Sir. Would it not have been in order for the hon. Member to look at that list before he asks supplementary questions?

Mr. Speaker: You are out of order, Dr. Machage!

The Assistant Minister for Education (Prof. Olweny): On a point of order, Mr. Speaker, Sir. If I remember very well, the Minister could not proceed with this Question because the hon. Member wanted to look at the list before they could proceed. Could he look at the list first?

Mr. Speaker: Order, hon. Members! I think our Standing Orders clearly provide for what happens when an answer is given by a Minister. The hon. Member asking the Question has not complained that he did not receive the answer on time. Until the Member does so, Prof. Olweny, your point of order is not valid.

The Assistant Minister, Ministry of State for Provincial Administration and Internal Security (Mr. Ojode): On a point of order, Mr. Speaker, Sir. The reason this particular Question was deferred is because the hon. Member could not have gone through the printed document. I can remember very well because I was here.

Mr. Speaker: Order, Mr. Ojode! You are certainly out of order! You are presuming what is not. The Chair is not aware that the hon. Member has not had an opportunity to look at that list, until he says so.

Yes, Mr. Washiali!

Mr. Washiali: Mr. Speaker, Sir, I want to thank the Assistant Minister for printing this list. I would request that the Question be deferred until after two weeks. After I peruse the list, I will come up with a response.

(Applause)

Mr. Ndambuki: Mr. Speaker, Sir, I agree that the Question be deferred so that he can go through the list. I have another 1,600 pages to bring to him.

Mr. Speaker: Very well! What is it, Mr. Michuki?

The Minister for Environment and Mineral Resources (Mr. Michuki): On a point of order, Mr. Speaker, Sir. Under Standing Order No.37, information which is in the public domain which can be found, like these registers which can be found at the Registrar of Companies, cannot be the basis of asking a Question. Is it in order that this Question should not have been taken care of under Standing Order No.37?

Mr. Speaker: Mr. Michuki, I am not so certain that the information which is in those documents is, in fact, in the public domain, but if the Minister can clarify that, then I will rule

accordingly. Mr. Ndambuki, is that information in the public domain? Is it available to the public?

Mr. Ndambuki: Mr. Speaker, Sir, the Questioner comes from that area. If he wants the information, he can also collect it from the offices of MOCO Limited. It is not information that is hidden anywhere.

Dr. Khalwale: On a point of order, Mr. Speaker, Sir.

Mr. Speaker: Order! We are dealing with a point of order. What is anticipated by the Standing Orders is that, if information is public, then it will be within reach by the public in an office that is public. That presumes, therefore, a public place such as a Government office to which all members of the public have access. If it is a company office in Mumias that exclusively belongs to MOCO, then access can only be to members of that company and, therefore, restricted to the shareholders of the company. That does not include the general public which includes among others Members of Parliament.

Mr. Michuki, the Assistant Minister has failed to clarify to the extent that it can fall within the domain of what is referred to as, "public information available to all Kenyans at large". Therefore, the Questioner can proceed because this is not information which is available to all Kenyans at large, at least, from the answer I have received from the Minister. So, that being the situation - this matter must come to an end - the Question is deferred until Tuesday, next week.

That matter is finished. Ms. Amina Abdalla!

Question No.027

RETENTION OF PERMANENT
SECRETARIES BEYOND
MANDATORY RETIREMENT AGE

Ms. A. Abdalla asked the Minister of State for Public Service:-

(a) if he could confirm that the six Permanent Secretaries who were retained after the reshuffle that took place on 21st April, 2008 have attained the mandatory retirement age;

(b) what the rationale was for retaining them; and,

(c) considering that the retained six Permanent Secretaries are men and noting that all women who had attained the retirement age were retired, if he could confirm whether the retirement age for men and women is different.

The Minister of State for Public Service (Mr. Otieno): Mr. Speaker, Sir, I beg to reply.

(a) There are only four Permanent Secretaries and not six who were retained after the reshuffle that took place on 21st April, 2008 and have attained the mandatory retirement age.

(b) The retirement age for civil servants is 55 years. Section R.19.1 of the Code of Regulations states that an officer will be required to retire from the service on attaining the age of 55 years, unless the Government considers that it is in the public interest to retain his or her services for a period beyond that age and the officer himself or herself is agreeable to continue in the service.

Mr. Speaker, Sir, Section 25 of the Constitution also provides that every person who holds office in the service of the Republic of Kenya shall hold that office at the pleasure of the President. In compliance with the Code of Regulations and Section 25 of the Constitution, the hon. Member may also wish to note that two of the Permanent Secretaries that were brought into the service when the Grand Coalition Government was formed had also passed 55 years.

(c) The retirement age for both men and women in the Public Service is the same, irrespective of gender and currently 34 per cent of the Civil Service are women.

Ms. A. Abdalla: Mr. Speaker, Sir, whereas I greatly admire the intellect of the Minister who has answered this Question, I am disappointed with the fact that he said that only four Permanent Secretaries were retained. That is one too many for us. Three years ago, the Kenyan Government, with a lot of pomp, had all Permanent Secretaries sign performance contracts telling Kenyans that all Permanent Secretaries will from then on be judged based on the performance of their Ministries. I was hoping that the Minister would give us the rationale of retaining these Permanent Secretaries yet when the performance rating was read to us by the Prime Minister, the then Ministry of Gender, Sports and Cultural Services led by Mrs. Rachel Dzombo was number one. She was, however, retired despite not having reached the age of 55 years.

The Ministry of Regional Development Authorities was number two. The gentleman who was the Permanent Secretary was promoted to head the essential Ministry of Water and Irrigation. Number three was Rachel Arungah who was in the Ministry of Special Programmes. She was retired on the grounds of age. Ms. Joyce Nyamweya, the architect and engineer behind the performance contracts was also retired.

(Laughter)

Mr. Speaker, Sir, this was done despite the Government having head-hunted her from the United Nations (UN). Could the Minister---

Mr. Duale: On a point of order, Mr. Speaker, Sir.

Mr. Speaker: What is your point of order?

(Loud consultations)

Mr. Duale: Mr. Speaker, Sir, the hon. Member has asked a Question and the Minister has satisfactorily answered it.

Hon. Members: *Wewe kaa chini!*

Mr. Duale: Mr. Speaker, Sir, could my colleagues from the other side give me a chance?

Mr. Speaker: Order, Mr. Duale! Take your seat! Order, hon. Members!

With respect, Mr. Duale, it is not within your province to decide as and when a Question is satisfactorily answered. So, you are out of order.

Ms. A. Abdalla: Thank you, Mr. Speaker, Sir, for that. My colleague is still a *mono*.

(Laughter)

The Assistant Minister for Roads (Dr. Machage): On a point of order, Mr. Speaker, Sir. You have clearly heard the hon. Member refer to her colleague as a "*mono*". Is that word "*mono*" parliamentary?

Hon. Members: Yes!

Mr. Speaker: Order, hon. Members! Ms. Amina, that does not sound parliamentary. It is demeaning of the Member of Parliament. Could you be so kind as to withdraw that word?

Ms. A. Abdalla: Thank you, Mr. Speaker, Sir. I withdraw that word, but appreciate that the hon. Member is still learning.

(Laughter)

Mr. Speaker, Sir, the women of Kenya serving in the public sector, and who hope to be Permanent Secretaries would like to know these special skills that these grey-haired men have so

that they can also get them and be retained. Could the Minister elaborate on the special skills that these men have so that we can tell the women of Kenya to learn from them too, so that we can retain them until they are over the age of 70 years?

Mr. Speaker: You have asked your question!

Mr. Otieno: Mr. Speaker, Sir, I have quoted the sections of the law and the Constitution under which these officers are appointed and retained. Possibly, if I was the appointing authority, the decision could have been different.

(Applause)

While I appreciate the concerns of the hon. Member, once the power to appoint is granted to a particular office, and the Constitution gives unfettered powers to exercise those powers in appointment, I have indicated to the House that those offices that had the power to either appoint or not to, on the re-constitution of the Grand Coalition Government retained four Permanent Secretaries who were already over 55 years old and brought in two who were already over 55 years.

Hon. Members: *Woi! Woi!*

Mr. Otieno: Mr. Speaker, Sir, I have also mentioned that the public service operates on the principle that, at least, we should achieve 30 per cent gender balance in our recruitment. We have issued instructions that all new recruitment will not only take into account gender, but also the principle of the face of Kenya. So far, it is operating fairly. The names of the Permanent Secretaries the hon. Member had mentioned had been allowed to serve longer than one year after they had attained 55 years of age. So, it is not discrimination that started on the constitution of the Grand Coalition Government. But two of the officers actually had been favoured and served beyond 55 years of age.

Dr. Nuh: Mr. Speaker, Sir, whereas I appreciate the answer given by the Minister, he vests so much authority in the President and says he is the appointing authority. But as he read the law, it was clear there was a section that says that there is a pre-condition. The pre-condition is that the appointments should be in public interest. What is this public interest? This is what Ms. A. Abdalla wants to know!

Mr. Otieno: Mr. Speaker, Sir, I have already implied that "public interest" in this respect is determined by the appointing authority.

Mr. Namwamba: Mr. Speaker, Sir, first, it is quite gratifying to hear a Cabinet Minister admit that this is a wrong that, indeed, goes against the grain of public interest. He has also indicated that had he been in a position to act otherwise, he certainly would have done so. That is very refreshing, even though it also indicates a worrying possibility of lack of harmony and symphony in the operations of the Grand Coalition Government.

Mr. Speaker, Sir, the two sections of the law that the Minister has so eloquently, and ably quoted--- Section R19(1) of the Code of Regulations and Section 25 of the Constitution contain caveats. The caveat is very clear. The caveat in the Regulation is express, "public interest". The caveat in Section 25 of the Constitution is not express, but it is presumed that the President cannot act out of impunity. He must act in a manner that is consistent with the spirit of the Constitution, and what is in the best interests of the republic. Could the Minister, please, expound to this House what public interest is being served by these so-called "grey-haired men", not only the four retained, but also the two added?

Mr. Speaker: Mr. Namwamba, could you conclude your question?

Mr. Namwamba: I am concluding!

Could the Minister also table before this House the names of the Permanent Secretaries, those who were retained and those who were added? We are entitled to have this information!

Mr. Otieno: Mr. Speaker, Sir, may be I am being driven to a territory that may not be fair to these officers, because retirement and failure to renew a contract or re-appoint, takes into account many issues, some of which may be personal. I have personally looked at the files of some of the Permanent Secretaries who were discontinued. There is information in some of the files, which I would hesitate to mention or make public. So, it should suffice to say that the appointing authority is the best judge in the circumstances, whether to continue or to drop an officer.

A debate on names, or even mentioning the names, the way the hon. Member wants, of the officers who were not re-appointed--- It may not be fair for me to go into the issue of specific performance, character, behaviour and other opinions that hon. Members should hold private to those officers.

Mr. Speaker, Sir, as to the names of the Permanent Secretaries who were retained, because they are continuing public officers, I do not feel restrained to mention their names. They include Amb. Francis Muthaura who was born on 20th--- Let me just say that he is 61 years old. The others are Mr. Joseph Kinyua, the Permanent Secretary, Treasury, who is 57, Prof. Karega Mutahi, who on verification and receipt of the evidence I personally went through--- It was possible for me to do so because he has a twin brother, who has also been in public service; he is 60 years old. the other one is Mr. Patrick Nyoike, the Permanent Secretary, Energy who is 60 years old.

Mr. Speaker, Sir, I feel constrained not to give further particulars than I have done on the officers who were discontinued.

Mr. Speaker: Last question, Ms. A. Abdalla!

Dr. Khalwale: On a point of order, Mr. Speaker, Sir.

Mr. Speaker: I do not see anything out of order!

Proceed, Ms. A. Abdalla!

Ms. A. Abdalla: Mr. Speaker, Sir, given the fact that the Minister had problems and used the excuse of the appointing authority as the reason as to why we are having these contracts being renewed year in, year out for the same people, yet others do not have their contracts renewed, what is he doing in the long-term to ensure that we have professionalism in appointing officers in these positions? We should have an age limit, which is probably more acceptable to the age bracket in power.

Hon. Members: On a point of order, Mr. Speaker, Sir.

Mr. Speaker: Order, hon. Members! A question has just been asked. Is that question really out of order? Let us hear the Minister's response to the question!

Mr. Otieno: Mr. Speaker, Sir, the two Permanent Secretaries who were also brought into public service are also public servants. I do not fear mentioning their names. They are already over 55 years of age. They are Dr. Mohammed Isahakia and Dr. James Nyikal.

Mr. Speaker, Sir, as to whether we would ensure fairness in future recruitment, there is a major reform exercise which we have commenced in the Public Service, which will make it possible, in future, to ensure that there is merit in recruitment. We want to ensure that retention in the Public Service will be strictly on performance. We also want to provide a portable pension, so that an officer can leave the service at any time and come back at any time in a competitive manner. We will, therefore, be working on a new pension programme, which we will be tabling in future for the consideration of Kenyans and all the public servants.

Mr. Speaker, Sir, on the issue of recruitment, the Public Service Commission (PSC) is also going to undertake major reforms, including computerization and performance contracts, which will enable us to be able to determine whether they are fair in recruitment. Any suspicion or prejudice should be a thing of the past.

Dr. Khalwale: On a point of order, Mr. Speaker, Sir. We went out of our way to amend the Constitution of Kenya at the beginning of this year, so that we could bring one of the Principals to

this House to directly answer our Questions. Given that the Minister has said that the prerogative is with the Executive--- Now that the position of the Executive is shared between a Principal who sits in this House, could we request that we allow the Prime Minister to come and address this issue on behalf of our youths?

(Applause)

Mr. Speaker: Order, Dr. Khalwale! As a matter of fact, that point of order has come at a time after the last Question has been asked. That last Question has, in my view, been answered satisfactorily and that is why the Questioner remained seated even as the Minister concluded. But there is one matter that I am bit concerned about as the Chair. It is incumbent upon Members of the Cabinet, Ministers and Assistant Ministers, or any persons assigned responsibility to discharge their duties without citing the appointing authority. It is presumed that the Minister, having been appointed Minister and assigned that portfolio, represents the appointing authority.

(Applause)

If that is noted, I shall be glad if the business of the House is, in future, treated as such. You take responsibility for your portfolio.

The Minister for Environment and Mineral Resources (Mr. Michuki): On a point of order, Mr. Speaker, Sir. Are you satisfied that this Question, the way it has been conducted, is not against the provisions of Standing Order No.35?

(Laughter)

Mr. Speaker: Order, hon. Members! I have already ruled on this matter. This Question pertained to matters to do with the Public Service which Mr. Dalmás Otieno is charged. He has been able to respond to the various questions as best as he could and, I believe, satisfactorily. That should rest the matter!

All the other Questions are deferred to Tuesday next week, except for a Ministerial Statement which I am told was due today. If it is ready, then perhaps, we can allow it for three minutes. If it is not, then we will move on to Next Order.

Question No. 038

SCHEME OF SERVICE FOR ADULT
EDUCATION TEACHERS

(Question deferred)

Question No.048

REHABILITATION OF DAMS IN
NDARAGWA DIVISION

(Question deferred)

Question No.089

CONSTRUCTION OF CHEBARA-SANGURUR-
KOITILIAL ROAD

(Question deferred)

Question No.095

PROVISION OF FUEL FOR
POLICE VEHICLES

(Question deferred)

Question No.113

IMPLEMENTATION OF SALARY HIKE
FOR AMBASSADORS/HIGH COMMISSIONERS

(Question deferred)

POINT OF ORDER

DELAYED MINISTERIAL STATEMENTS

The Minister for Justice, National Cohesion and Constitutional Affairs (Ms. Karua): Mr. Speaker, Sir, I notice that my colleagues in the Ministry of Transport have not yet arrived, if that is the Statement. I would seek that it be put off to the next day, which is Tuesday. I undertake to inform them.

Mr. Chanzu: Thank you, Mr. Speaker, Sir.

*(Several hon. Members stood
up in their places)*

Mr. Speaker: We are now out of time! According to the Order Paper, we should begin the next business not later than 3.30 p.m. It is now---

Hon. Members: It is not yet 3.30 p.m.!

Mr. Namwamba: On a point of order, Mr. Speaker, Sir. I realise that the Deputy Leader of Government Business, while excusing the Minister for Transport, it seems to have escaped her notice that I was expecting a Ministerial Statement from herself, which you ruled that it was due today. I would plead for direction.

(Ms. Karua stood up in her place)

Mr. Speaker: The Minister wishes to be reminded about the Ministerial Statement.

(Mr. Ethuro stood up in his place)

Let Mr. Namwamba finish his first! Mr. Namwamba, the Minister wishes to be reminded

about that Statement.

(Ms. Karua moved to the Dispatch Box)

Madam Minister, are you aware?

The Minister for Justice, National Cohesion and Constitutional Affairs (Ms. Karua): Mr. Speaker, Sir, I am aware, but the report I got was for Tuesday next week. That is what even the newspapers said, although it is not a record. I will be ready with the Ministerial Statement on Tuesday.

Mr. Speaker: Fair enough! Mr. Namwamba, let the matter be deferred as was, indeed, deferred to Tuesday next week.

Mr. Ethuro!

Mr. Ethuro: Mr. Speaker, Sir, the Chair also ruled last week that the Statement I sought on Agenda Item No.4 would be submitted today. Where is it?

Mr. Speaker: Madam Minister, are you aware?

The Minister for Justice, National Cohesion and Constitutional Affairs (Ms. Karua): Mr. Speaker, Sir, the information was also about next week. We are just about to meet on Monday, so that the Statement can be really informative on Agenda Item No.4.

Mr. Speaker: Very well! Tuesday next week!

Dr. Khalwale: On a point of order, Mr. Speaker, Sir. The Chair also ruled that my request for a Ministerial Statement on the issue of the unrest at the Administration Police Training College would be submitted today.

Mr. Speaker: Madam Minister, do you have the response? We are out of time!

Mr. K. Kilonzo: On a point of order, Mr. Speaker, Sir. Time and again, you have insisted that the Business of the House must be taken very seriously. The Minister has been on the Floor time and again saying that, while you ruled that those Ministerial Statements should be brought today, she has been mis-advised that they should be issued on Tuesday.

Hon. Members: By the Press!

Mr. K. Kilonzo: Mr. Speaker, Sir, where is the problem? We still stand by your ruling that Business must be taken very seriously and you should give direction to that effect.

Mr. Speaker: Order, hon. Members! Indeed, the business of the House must be taken seriously at all times. I urge Members of the Government to note.

(Applause)

We will not be that kind in future! So, please, ensure that all Statements are brought on time as, indeed, ruled or directed. The Statements will, therefore, be made on Tuesday, next week.

Madam Minister, on some of the Ministerial Statements, it was correctly ruled that they should come on Tuesday next week. So, there is no omission on the part of the Minister for Justice, National Cohesion and Constitutional Affairs, except in one instance!

We will now want to proceed to the Next Order!

The Minister for Foreign Affairs (Mr. Wetangula): On a point of order, Mr. Speaker, Sir. May I suggest to the Chair that, in view of the backlog of pending Ministerial Statements, when we meet on Tuesday, you start with Ministerial Statements or you give less time to Questions so that, by 3.00 p.m. we take 30 minutes to clear all those Statements.

Mr. Speaker: That request is well taken! We will take Business as it will come on Tuesday, but we will bear that in mind.

Next Order!

COMMITTEE OF WAYS AND MEANS

(Order for Committee Read)

MOTION

THAT MR. SPEAKER DO NOW
LEAVE THE CHAIR

(The Minister for Finance on 12.6.2008)

(Resumption of Debate interrupted on 18.6.2008)

(Second Day of Budget Debate)

Mr. Speaker: Hon. Members, please, note that we are starting five minutes late. So, the Business of the House will continue until 6.35 p.m.

Mr. Kazungu Kambi was on the Floor. You have four minutes to go.

Mr. Kambi: Asante sana, Bw. Spika.

Mimi ni mmoja wa waheshimiwa Wabunge wanaoiunga mkono Hotuba ya Waziri wa Fedha. Hotuba hii ilijikita katika sera tatu: Sera ya uchumi, mfumo wa jamii na itikadi za kisiasa. Hakuna nchi yoyote inayoweza kuendelea ikiwa haina barabara nzuri. Ninamshukuru Waziri wa Fedha aliikumbuka bandari yetu ya Mombasa na kuitengea kiasi fulani cha pesa zitakazotumika kuitayarisha kuwa bandari huru. Tunamshukuru sana Waziri kwa jambo hilo.

Bw. Spika, nchi yo yote ile haiwezi kusema imeendelea kama haina chakula cha kutosha. Ukiangalia Bajeti, utaona kwamba Waziri wa Fedha ameipa Wizara ya Mipango Maalum kiasi kidogo cha pesa licha ya kwamba nchi hii inakumbwa na baa la njaa. Je, pesa zilizotengewa Wizara hii zitatozwa kweli? Vile vile, nchi yo yote ile, haitaweza kusema kwamba ina maendeleo kama haina wawekezaji. Tunamshukuru Waziri kwa kurahisisha uwekezaji humu nchini kwa kupunguza idadi ya leseni zinazohitajika.

Kuhusu usimamizi bora wa Benki, Waziri ameongeza kiasi cha chini cha pesa zinazohitajika kuanzisha benki, kutoka Kshs250 milioni hadi Kshs1 bilioni. Hatua hii itawafanya watu wenye pesa chache kuumia. Kwa hivyo, ningependa kuliomba Bunge hili kuhakikisha kwamba kile kiwango cha zamani kimedumishwa.

Bw. Spika, huhusu sekta ya maji, kama wanavyosema wahenga, binadamu ni maji. Pesa zilizotengewa Wizara ya Maji na Unyunyizaji Mashamba hazitoshi kupeleka maji kila mahali nchini.

Ninashukuru kwamba mapato yetu kutokana na ukusanyaji wa ushuru yameongezeka. Lakini, sikubaliani na Waziri katika pendekezo lake la kuyatoza ushuru marupurupu ya Wabunge. Hivyo ni kusema kwamba Wabunge wazidi kuwa maskini. Mishara yetu tayari inatozwa ushuru. Marupurupu yetu yakitozwa ushuru, tutakuwa maskini zaidi katika nchi hii.

Bw. Spika, katika Hotuba yake, Waziri aliongea kuhusu uchumi wa jamii. Kuna vijana ambao hawana kazi. Pesa zilizotengewa Hazina ya Biashara ya Vijana hazitoshi. Tunaomba pesa hizo ziongezwe, kwa sababu vijana hawana kazi katika nchi hii. Kama unavyojua, vijana hawapewi nafasi ya kuhudumu Serikalini kwa sababu wazee bado wanahudumu Serikalini kama Makatibu wa Kudumu.

Kwa hayo machache, ninaiunga mkono Hoja hii.

The Assistant Minister, Ministry of State for Defence (Mr. Musila): Thank you, Mr. Speaker, Sir, for giving me this opportunity. I stand here to support the Motion. I want to applaud the Minister for working so hard to come up with this Budget.

Having said that, this was my 11th Budget Speech in this House. Experience has shown that we sit here and listen to the Budget Speech but, more often than not, we do not see the results of the Budget. The Budget was good, but the most important question is: Is it going to be realised?

Mr. Speaker, Sir, I want to touch on energy. This House knows that the costs of energy have gone up. I also note that the Minister proposes to provide Kshs4 billion for geothermal exploration, Kshs300 million for solar and Kshs200 million for wind generation. In this country, we have enormous deposits of coal in Mwingi and Kitui districts. However, throughout his Budget Speech, the Minister did not say anything to do with coal when we know that we can very well mine this coal and turn it into fuel, as China is doing, and save on energy.

So, I would like to urge the Minister for Finance to ensure that the Ministry of Energy gets the necessary funds to exploit coal, which is found in huge deposits in this country. This is the only way we can reduce our country's dependence on foreign oil. I cannot understand why the Minister has neglected this resource, which is so abundant in Mwingi and Kitui districts. I hope that quick action will be taken on this matter.

Mr. Speaker, Sir, the Minister always stands here and tells us about the allocation of funds for infrastructure. However, there are certain areas which have been neglected in the development of infrastructure. I want to say something about Road B2, which runs from Kibwezi to Kitui. I understand that roads are classified in accordance with their importance. This is a Class B road, but it remains untarmacked 45 years after Independence. What is the criteria being used in tarmacking other roads?

I am told that the tarmacking of this road was planned as early as when the current President was the Minister for Finance. To date, the road remains untarmacked. May I appeal to the Minister to ensure that Road B2 is tarmacked along with others. Similarly, Road C94, Mbondoni-Kabati, linking Mwingi and Kitui, should be tarmacked, so that they connect. This will ease communication between Mbeere, Embu and Mombasa.

Mr. Speaker, Sir, the Minister said that he had allocated Kshs2.4 billion for the development of northern Kenya. My understanding is that the Ministry of Development of Northern Kenya and Other Arid Lands was created, not just for northern Kenya, but for other ASAL districts as well. However, throughout his Speech, the Minister tends to suggest that the funds which are allocated to this Ministry are solely for northern Kenya; that is, the North Eastern Province. I want to remind the Minister that we have 22 arid and semi-arid districts in this country, which should be covered along with northern Kenya. Those districts are in northern Rift Valley Province, Eastern Province, North Eastern Province and even Coast Province.

Mr. Speaker, Sir, the Minister must put his act together and ensure that the funds allocated to the Ministry of Development of Northern Kenya and Other Arid Lands also cover the ASALs, which are not necessarily in North Eastern Province.

Mr. Speaker, Sir, I want to applaud the Minister for providing funds for the development of water. However, I still want to emphasise that it is not fair that, 45 years after Independence, Kenyans walk 20 kilometres in search of drinking water. Therefore, it is hoped, that this time round, the Ministry of Water and Irrigation is going to make a difference, and ensure that water is made available to communities. People have to walk for 20 kilometres, particularly in the ASALs, including in my own Mwingi District.

Mr. Speaker, Sir, the issue of food shortages has been talked about. It is very real in this country. There has been the School Feeding Programme, which has continued for many years.

However, we have been shocked to learn that, recently, the Government and the World Food Programme (WFP) agreed to reduce the amount of food supplied to the School Feeding Programme. This does not make sense, because we now have food shortages. It means, therefore, that children have no access to food, but instead of increasing food, so that children can have food during lunch hour, this has been reversed. The School Feeding Programme now appears to be in jeopardy. Therefore, I am appealing to the Minister to do everything possible and ensure that he increases the food meant for children in school. You cannot reduce food when there are shortages. It should be increased because we have a problem.

Mr. Speaker, Sir, I also want to touch on health. We have a problem with the projects constructed using the Constituencies Development Fund (CDF). These projects remain unutilized. They are very many throughout this Republic. May I appeal to the Ministry of Medical Services to ensure that all the facilities constructed using the CDF are opened forthwith, so that they can serve the purpose for which they were constructed. This is very important, because we know that members of the public have to travel many kilometres seeking simple treatment like first aid. If these dispensaries are put into use, I have no doubt that the Ministry will be going along way in assisting the people.

Mr. Speaker, Sir, talking about the CDF, I do not know whether you are aware that this year the Ministry of Finance, and for that matter the Minister of State for Planning, National Development and Vision 2030, who is sitting here, has not released the CDF funds. Under the law the Ministry of Finance is supposed to release 2.5 per cent of the revenue collected. We know that there was change of guard in the leadership of the CDF. However, that does not mean that the Minister for Finance should not release the funds.

Mr. Speaker, Sir, most constituencies, if I am not mistaken, all of them, received only a fraction, a quarter, of the CDF funds for this financial year. As I speak today, 19th, June, 2008, the Ministry of Finance has not released three-quarters of the CDF funds. This means that projects under the CDF have been at a standstill since the beginning of this year. May I, therefore, ask the Minister for Finance to, before doing anything else, release the CDF funds tomorrow, so that after we come to the new financial year, we await the new allocation.

With those few remarks, I beg to support.

Mr. Wamalwa: Mr. Speaker, Sir, I also rise to support the Budget Speech. This is truly a historic Budget, as the Minister for Finance said. It is the first Budget of the Grand Coalition Government. It comes at a time of momentous national recovery, after a period conflict, a period of turmoil and a period of political turbulence.

Mr. Speaker, Sir, many Kenyans have very high expectations of this Budget. The Budget has received praise, which, in my view, is well deserved. By the theme of the Budget, I think the Minister captured the mood in the country. The theme of "*Working together to Build a Cohesive, Equitable and Prosperous Kenya*" is, in deed, an appropriate theme for the Budget this year.

Mr. Speaker, Sir, the Minister also, in addressing the priorities, captured the right priorities to restore growth and also promote cohesiveness in our society by addressing the problem of youth unemployment. He also addressed the problem of poverty and inequality in our nation, and the issue of developing the human resource in order to achieve prosperity for our nation. However, although it is a good and well intended Budget, the expectations by Kenyans are quiet high. In my view, this Budget fell short of expectations in five key areas.

(i) In his attempt to address the plight of the youth, the Minister made a lot of efforts for which we must applaud him. However, the issue of youth unemployment was not adequately addressed. The measures proposed actually amount to tokenism, considering the problem facing the youth of this country.

(ii) I was greatly disappointed to note that throughout the Budget, the Minister did not

address the issue of squatters. In previous Budgets, this issue has been addressed. Funds have been set aside in previous Budgets. Billions of shillings were set aside for settlement of squatters. At a time when this country has the Internally Displaced Persons (IDPs), most of whom are squatters, and are being re-settled--- Some have nowhere to be re-settled, because they have never been settled in the first place. Since Independence they have been squatters. This is one aspect that the Minister failed to address, despite the high number of squatters in the country.

Mr. Speaker, Sir, the Budget was also disappointing in terms of addressing the plight of farmers in this country. There was an attempt to address high cost of inputs and other problems facing farmers. But the problems were actually not adequately addressed.

Mr. Speaker, Sir, the fourth aspect was the plight of teachers in this country. Though we have talked of investing in our human resource, the plight of teachers was not adequately addressed.

Finally, on the issue of the constitutional review process, the Minister made a lot of effort towards those reforms. He talked about a lot of reforms in different sectors. But there was a glaring omission in addressing the issue of constitutional review and other legal reforms that go with it.

Mr. Speaker, Sir, on the issues affecting the youth, without a youth that is employed and satisfied, this nation can never and will never be stable. We all witnessed the violence after the elections. We all saw the role that the youth of this country played in the violence that hit this country. Unless something is done and done urgently to address those problems squarely, we will still have the same problem in future. What the Minister has suggested is a way of haphazardly dealing with the matter, making cosmetic changes to appeal to the youth of this nation, but he is not addressing the fundamental problem facing the youth of this country. You will find that due to lack of employment, the youth of this country are frustrated and angry. There is a state of hopelessness setting in. They are the members of the various militia groups. They have turned to different religious sects like *Mungiki*, the *Chinkororo* and the Sabaot Land Defence Forces (SLDF). All those are the youth of this nation.

Mr. Speaker, Sir, we need to come up with what has been lacking for a long time; which is lack of a clear and comprehensive national youth policy to address the problem. That is because many youths in this country feel that they have been given a raw deal! What they are hoping for is a new deal and this Budget falls short of that. Indeed, a few minutes ago, we heard of the recycling of Permanent Secretaries. It has been a hallmark of the NARC Government that experience has been the yardstick where the talent and energy of the youth of this nation has been sacrificed at the anvil of experience. We need to do something to create employment and give the youth hope again.

Mr. Speaker, Sir, the Minister has made some good suggestions in promoting sporting activities for the youth in this country. But what was offered - the Kshs500 million towards the Youth Enterprise Development Fund - is a drop in the ocean. Much more needs to be done and I support the suggestions that have been made that we need to have more funds injected, through the Constituencies Development Fund (CDF), for the youth. Those are the reforms that we would expect through the amendment of the CDF Act, so that a percentage is given to youth and women. It is clear, even from the Minister's Speech that, indeed, the Youth Enterprise Development Fund has failed to achieve its objective. Something needs to be done and done quickly!

Mr. Speaker, Sir, we do support the idea of having a National Youth Council through which the youth of this country can be heard. That Bill is long overdue and something needs to be done and done urgently! There was a Motion in the previous Parliament which was brought by hon. Angwenyi on the employment of the youth of this country. That Motion was passed but nothing has been done! Recently, this House passed a Motion addressing the plight of farmers; proposing that this country writes off Agricultural Finance Corporation (AFC) loans owed by farmers in view of the post election violence. I was quite disappointed when there was no mention

by the Minister about the issue of AFC and loans taken by the farmers. I mean loans that were taken in the previous planting season and the obvious losses suffered by farmers in this country where 3 million bags of maize were destroyed during the violence. Many of those farmers have not been able to access their farms due to insecurity. They have not been able to farm due to the high cost of inputs and yet, there was no mention, in the Budget, of how farmers who are burdened by loans can be given relief in terms of write-off of loans. I had expected the Minister to mention that, perhaps, there will be a Sessional Paper to restructure the AFC to address the plight of farmers, but nothing was mentioned!

Indeed, Mr. Speaker, Sir, the problem of farmers is something that should have been given more focus and attention because of the impending global food crisis. Because of lack of special attention to this issue, we do feel that not much was done, in view of the crisis that is facing this nation.

Mr. Speaker, Sir, with those few remarks, I beg to support.

The Minister for Public Health and Sanitation (Mrs. Mugo): Thank you, Mr. Speaker, Sir, for giving me this opportunity to also contribute to the Motion on the Floor and to hastily congratulate the Minister for Finance and his very able team for producing yet another laudable Budget. It is not only laudable, but it is a very focused Budget aimed at uplifting the lives of the majority poor in this country.

Mr. Speaker, Sir, it is specially commendable when it comes at such a time when our country has gone through a very difficult time since the beginning of this year, when many properties and livelihoods were destroyed. But we have been able to pick up the pieces and put together such a Budget. That goes a long way to show that, as Kenyans, we belong together. We must hold together and work very hard together.

Mr. Speaker, Sir, we want to laud the leadership of our three leaders - the President, Vice-President and Minister for Home Affairs and the Prime Minister, for pointing the direction for this country. We also laud your leadership, Mr. Speaker, Sir, because by bringing stability to this Parliament, it has also contributed to taking a big step and putting together such a Budget which, a lot of it will depend on how the leadership and us, as leaders in this House behave, our utterances and what leadership we display to those that we represent.

Mr. Speaker, Sir, let me specially commend the Minister for widening the base for tax collection without necessarily adding an extra burden to the already highly-taxed Kenyans. If we all co-operate and the Minister is able to collect all the taxes the way he has planned, we have no fear that we will be able to realize our goals.

The idea of putting a framework to SACCOs and bringing a Bill to this House is good. I would encourage that very much and ask the Minister to widen that base to cover the many groups. I have in mind, for example, the many organized women groups all over the country which are engaged in a lot of wealth creation and earning of livelihoods for their families. We need to encourage our youths to borrow a leaf from those groups. There are many youths who are unemployed. We want our youths, whom we often see at every corner of the road or market places, to form economic groups so that they can be provided with a legal framework to borrow money from Savings and Credit Co-operative Societies (SACCOs). This will help them to mobilise resources for their own personal development. It will take a very long time to formally employ our youths because they are more than the industries we have. Definitely, the Government is not the employer. It is a regulatory institution. The employers are the businesses. It will take a little bit of time to create wealth considering the drawbacks we have had at the beginning of this year. Therefore, forming economic groups for the unemployed, particularly the youth and women, will go a long way in improving their living standards. I call upon the Minister to also consider adding funds to the Youth Enterprise Development Fund and the Women Enterprise Development Fund.

Mr. Speaker, Sir, the floating of shares of the National Bank of Kenya is a welcome move. That way, more people will share the wealth of our country as we saw in the other Initial Public Offers (IPOs).

Having said that, I would like to call on the Minister to consider allocating more funds to the health sector. This is a sanitation year, and a meeting held last year in South Africa recommended that 0.05 per cent of the Gross Domestic Product (GDP) of the region should go to sanitation. This is because a lot of diseases can be prevented by having the right sanitation such as sewerage facility, clean water for people to use and toilets in all areas even in the rural areas, where cholera outbreaks happen. Simple things like washing hand and immunization of our children can cut prevalence of diseases by half. So we need more money for promotive health than curative health. It is easier and cheaper to prevent than cure diseases. Therefore, the money which has been allocated to the Ministry of Public Health and Sanitation, 85 per cent, is donor money and the Government of Kenya gives only 15 per cent of the Ministry's Budget of Kshs9.5 billion. This is very low. We have to reconsider and accept the recommendation from the region.

A meeting was recently held in Kisumu and the regional governments were asked to put more money in preventive health, if we want to boost production in our country. It is also true that health families and people will be able to reduce poverty. This is because they will deliver more in production.

Mr. Speaker, Sir, coming to infrastructure, we welcome the idea of the Public, Private Partnership (PPPs). This is because the Asian Tigers developed their infrastructure through such measures. If we can develop our roads, telecommunication and information technology, we will be able to develop our country much faster. That way, we will be able to reduce poverty.

We laud the Minister for the Nairobi Metropolitan Development. We have seen the excitement and energy he is putting in that Ministry. As a Member of Parliament from Nairobi Province, I am excited to see employment being created, especially businesses which are run throughout the night in the city. So, we look forward to seeing this Ministry being funded at a higher capacity so that we can create jobs. We would like to see also more markets built in Nairobi. For a long time, we have not had any market developed other than the Muthurwa Market. We need more markets to be established in areas where the are people at the locational and constituency level. That way, everybody would not have to crowd City Centre for small items. They can do their activities and develop where they are.

Mr. Speaker, Sir, many people in Nairobi depend on *kiosks*. So, when we see *kiosks* being demolished, we get worried. So, if we can put up markets in every constituency, they will house our informal sector. As it is said, the informal sector provides livelihood to the majority of Kenyans. This will minimise the battles between the *askaris* and the *kiosk* owners over the demolition of their *kiosks*. This often causes hue and cry.

With those few remarks, I beg to support.

Dr. Munyaka: Thank you, Mr. Speaker, Sir. I would also like to take this opportunity to support the Speech made by the Minister for Finance. I wish to note the following points.

I appreciate the allocation of around Kshs65 billion to the road sector. I support the proposed establishment of the Contractors Regulatory Board. I support the proposal that any contractor who wins an award to construct a particular road should sign a performance contract. That way, construction of roads will be completed according to the schedule. We find that contractors tender for many kilometres of roads which takes them a lot of time to complete. It is my suggestion that many contractors should tender for a particular road so that the completion can be hastened. Let us take, for example, the Machakos-Nairobi Road, which is under construction. Motorists have been suffering for a long time because of very lengthy diversions. Many vehicles have broken down due to these diversions because one single contractor is not able to complete the

job in good time. So, I would suggest that if it is a long road, the tenders should be given to several contractors so that the road construction is finished as scheduled. I would also suggest that most of the road works which use specialised machinery where human labour can offer labour, we should employ the youth. That way, we will create employment for the youth.

Mr. Speaker, Sir, I also support the intention by the Minister to increase the Youth Enterprise Development Fund (YEDF) allocation by Kshs500 million. However, I wish to state that this is a drop in the ocean because the youth form the majority of our population. If the Kshs500 million is shared among all of them, it will not alleviate their poverty situation. The Kshs1 million contribution for soccer tournaments talked about by the Minister is very welcome. It will enable the youth to leave bad habits and go to the playing fields where they can play until they are exhausted. Hon. Members will then have a chance of prevailing upon them to start development projects. I suggest that since soccer is a political game, the funds should be put into hon. Members' kitty because we are the ones who know how many youth clubs there are in our constituencies.

(Applause)

We would easily avail the funds to all the youths in our constituencies.

Turning to the energy sector, it is good that the Minister increased the allocation for the Rural Electrification Programme. I wish to state that even with that effort, majority of Kenyans cannot still afford to install power in their homes. Even with the quotation of Kshs32,480 which is to be paid by people who are staying not more than 600 metres away from a power point, as the lowest average quotation available, it is still an amount that most Kenyans cannot afford. I suggest that since the Kenya Power and Lighting Company (KPLC) is in business, it should engage in investments which it can earn money from as people consume its power. I suggest that the KPLC lowers the cost of installing electricity in homes. That is an investment that the company stands to reap from in future.

Mr. Speaker, Sir, the CDF has proved to be a very good avenue where the public and the citizens of Kenya have really gained a lot, across the whole nation. Despite other funds from the Government getting lost on the way, the CDF has managed to assist in alleviating poverty in many ways across the country. In that same light, I suggest that the Government increases the allocation from 2.5 per cent of our revenue so that development can be achieved at the grassroots level.

On the issue of food security, we know that there is looming danger of famine in the country. When we consider the rain seasons in Kenya and in many parts of the world, you will notice that there are times when we have bumper harvests and times when crops die in the farms. It is a bad situation here in Kenya because the National Cereals and Produce Board (NCPB) has around 100 depots around the country. However, there are only about 50 of them that are operational. The NCPB total capacity of storage is about 20 million bags if it were to become fully operational. I agree with the Minister that the Strategic Grain Reserves (SGR) should be increased from six million to eight million bags. However, when there is a bumper harvest, the stores should be opened so that all the maize that is harvested goes into the stores of the NCPB. This would help us to avoid exploitation by middlemen and millers who export it causing starvation in the country.

Mr. Speaker, Sir, still on food security, I am rather disappointed to learn that the Government has continuously forgotten the livestock sector. The Sessional Paper No.1 of 1986 stopped the employment of veterinary officers and para-veterinary officers. Due to that, very many animals have died. Our animals are suffering from many diseases. Some of the diseases have also crossed from animals to human beings. It is only when human beings become sick that the Government responds. The problem in this sector is lack of staff. I did not hear the Minister talk

about employment of new staff in the livestock sector. If you look at North Eastern Province and other ASAL, areas which are purely livestock producing areas. The Ministry of Agriculture gets allocated 90 per cent of the total Budget allocation compared with the livestock sector which gets only 10 per cent of that allocation. This is despite the fact that livestock production caters for 95 per cent of the economic activities in those areas, while agriculture is merely 1 per cent. We fail to understand the logic behind this. If the sector is ignored, my biggest fear is that the livestock will continue dying and finally, a disease outbreak might eventually clear the livestock as well as the human beings because of the zoonotic nature of some of the diseases associated with livestock.

Mr. Speaker, Sir, water is life. I am glad to note that the Minister increased this Budget's allocation to the Ministry of Water and Irrigation. I wish to convey my constituents' chronic water shortage problems in Machakos Town. I hope that the Minister for Finance will support the Minister for Water and Irrigation so as to alleviate the problem of water in Machakos Town. Machakos Town, being a very old town of 100 years or more, runs continuously for two months without water. I, therefore, urge the Minister to allocate some funds to cater for this problem.

With those few remarks, I beg to support.

Mr. Muchiri: Thank you, Mr. Speaker, Sir. I stand to support the Motion on the Budget delivered by the Minister for Finance. First and foremost, I would like to commend the Minister and congratulate him for giving us a Budget which was very well set out. It was in harmony with our nation's Vision 2030, based on the theme: Building a Cohesive, Equitable and a Prosperous Kenya. I would like to urge hon. Members to go through the document Vision 2030 because it has a lot of information that will guide us in the next few years of our development.

Touching on the pillars that the Minister talked about regarding the basis of the Budget; the economic, social and political, I would like to say that he tried as much as he could to give us a few ideas on the economic and social fronts. Unfortunately, he fell short of advising us accordingly on how he is trying to promote our Budget through the political era. This is where we should have patched on issues like the constitutional review process which has been going on in this country for a long time. It would have been good if the Minister came up with a proper budget on how to fund the process that we will be going through in the next one year.

Mr. Speaker, Sir, I understand the difficulties the Minister for Finance went through producing this Budget, especially after the difficult times that we went through at the beginning of this year. With the reversal of the economy after the post-election crisis and also dealing with the humanitarian crisis that we went through, it was difficult for him to come up with this Budget. I am bit saddened to see that he did not handle the resettling of Internally Displaced Persons (IDP) issue with seriousness it deserved. This is an issue that we need to be handled carefully and with a lot of speed. There is no way our economy will grow unless members of our society are well settled and are able to produce enough food for this country.

Mr. Speaker, Sir, let me also commend him for producing a Budget and clearly stating that he will be consistent with the financial independence strategy. I commend him for saying that he will not factor any funds which have not been committed. For any development of any country, we need to have a good infrastructure in place. That is why he talked a lot about the road structure. Unfortunately, this issue has been in this country for a long time. Every year, we hear that the Government is funding construction and maintenance of roads, but what comes out of that talk is negligible. We need to ask ourselves why is it so. It is because of the rampant corruption that we have within the roads industry. Most of the funds that are normally allocated for road construction normally ends up in pockets of corrupt contractors who never produce anything for this country.

One of our roles is that of oversight. It would be important for us to be more involved in earmarking the type of roads to be tarmacked. We should also be involved in vetting contractors. We should also be involved in the monitoring and evaluation teams that will check the type of

roads earmarked for development and ensure that they have been done properly.

Mr. Speaker, Sir, we have the Fuel Levy Fund which is normally channelled through the District Road Committees (DRCs). It is sad to note that most of these funds have been going to waste when they are left with our District Roads Engineers (DREs). They are the ones who earmark the type of roads to be maintained, but unfortunately, when we go to the ground, there is nothing happening. I request that Members of Parliament be more empowered, get involved in most of this work, so that we are able to see what the Government is doing for its citizens.

The Minister talked a lot about the infrastructure in this country. However, he did not mention anything to do with the aviation industry. It is sad to note that every year we have incidences of air accidents and nothing is done to curb this trend. Every time we ask what happened, we do not get any answers. Little is being done to improve the air safety in this country. That is the sector where I belong. I am a pilot by profession. I have been a pilot for many years, so I know the problems in the aviation sector. We have had no funding for a long time. We require a lot of funding to improve our airports and install radars to monitor our airspaces. We require a lot of funding, so that we can open up more airports that can be used by pilots, especially during bad weather. We have been losing key personnel within the aviation industry because of the low salaries paid to them. I request that adequate funding be allocated to this sector, so that we are able to maintain or retain some of our best personnel.

Mr. Speaker, Sir, touching on the youth, this is an issue that we all need to look at very seriously. Yes, everybody is crying about the youth in this country. They have been shortchanged. Money is given out through the Youth Enterprise Development Fund (YEDF), but unfortunately, the way of running this Fund has been highly questionable. I attended a youth meeting yesterday. There is an outcry that although the Government gives out money through the YEDF, very little of it gets to them. We need to come up with proper guidelines for the implementation of this programme. There are funds which go through the banks, but there are no proper guidelines or directions. That is why, though it is being said that they have received so much or so many millions, nothing gets to them. Even though some of it gets to them, they do not have proper skills to run some of the projects. We would like to have a policy put in place whereby before they get these funds, they go through proper training, so that they get proper skills.

Mr. Speaker, Sir, I also request that the Minister, while he is doing his Budget or even any alterations, that we have affirmative action for youth like that one of women. Women are being allocated a minimum of 30 per cent of whatever positions there are in Government. It would be good if this country moves forward and says that even for the youth, we require a minimum of about 40 per cent or even 50 per cent of all the chances to go the youth.

Mr. Speaker, Sir, on the issue of food security, I appreciate the zero-rating on wheat flour, maize and everything else. But unfortunately, we do realize that we still have got to import a lot of food into this country to cushion the effects of the food shortages that we might be expecting later on in the year. It is very said to note that Kenya is one of the countries with a lot of rivers and trained chemical engineers who can advise us accordingly on the usage of all the rivers that we have. Unfortunately, most of our engineers end up in other countries to offer these services. Let us address this issue. Let us be a country that produces food, but not net importer of same each and every year.

Mr. Speaker, Sir, on the security issue, I know we do not have enough personnel. The Ministry of State for Defence has been allocate the biggest portion of the funding in this country. I request we use our armed forces in the construction of roads in this country roads. For us to improve security in this country, I urge the Government to employ more police officers or Administration Police Officer.

Mr. Speaker: Mr. Muchiri, your time is up!

Mr. Muchiri: Mr. Speaker, Sir, I beg to support and thank you.

Mr. Ngugi: Mr. Speaker, Sir, thank you for giving me an opportunity to contribute to the Budget Speech, which was read by the Minister for Finance a few days ago. Before I do so, let me clear one issue. My name is David Ngugi, Member of Parliament for Kinangop. Yesterday, and the day before, my colleagues came to me and told me that there was a Question that I was supposed to ask, but I failed to turn up. It was not me, but my neighbour from Lari Constituency.

Mr. Speaker, Sir, may I start by congratulating my neighbour, the Minister for Finance, for delivering a Budget in very difficult circumstances. This Budget tried to touch on every sector. It touched on transport, housing, water, health and virtually on every sector. It also touched on problems that we need to address, as a country, in order to move forward. The problems were very well enumerated, and I do not need to quote them. But the Minister failed to give proper solutions to those problems. For example, we are facing a global food crisis, the rising fuel prices and the economies of the Western countries are going through bad time. So, in our Budget we should have taken these problems into account.

Fuel is a driver of our economy and all economies everywhere, but there is not much that the Minister said on fuel other than the generation of wind energy and hydro-electric energy. Year in, year out, this country has had oil being explored but we have not had the results. In view of the very high oil prices, we expected the Minister to come up with some budgetary measures for the exploration of oil and development of our economy. We use a lot of fuel, particularly here in Nairobi, that does not contribute to economic development. In the traffic jams that we experience in the city, we use more fuel than we would use if there were no traffic jams, or if there were by-passes that have been talked about in the last four Budgets.

Mr. Speaker, Sir, let me address the issue of agriculture. The Minister tried to put forward a few measures, which will address the problems of the agricultural sector. But as long as we continue being producers of raw produce, this country will never move forward and our farmers will continue to be poor. I suggest that we should have elaborate value addition measures. In my constituency, Kinangop, we produce a lot of cabbages, potatoes and carrots. If these were dried, canned and exported, then we could get more money than when we just produce them and sell them to brokers, who exploit the farmers.

Mr. Speaker, Sir, regarding the Constituencies Development Fund (CDF), it has been proved that this is one area in which this country can make a difference. Unfortunately, even for the money meant for the CDF for the year 2007/2008, only a quarter of it has been released, and the rest is being held by the Treasury. In some constituencies, like in mine, where we bought some graders, since January those graders have been lying idle instead of being put to some economic use.

Another issue that I felt that the Minister did not address properly is that of the Internally Displaced Persons (IDPs). Earlier, the Government had said that it required about Kshs30 billion for it to address that issue, but the Minister provided only about Kshs400 million. In view of the theme of national cohesiveness, I would have expected the Minister for Finance to have provided not only the Kshs30 billion for IDPs but more money to promote national cohesiveness. It can be used on seminars or teaching Kenyans that land is not the only source of income, and even on how to utilise that land better.

Mr. Speaker, Sir, another issue that was disappointing was that there was no allocation at all for women. I do not know whether the Minister for Finance felt that there is still Kshs700 million for the Women Enterprise Development Fund, which is still unapplied. That money is unapplied because the conditions that have been put for women to access that money are impossible. Even if they met those conditions, they cannot put that money to productive use, because a group of 30 or 50 women is given a loan of Kshs150 or Kshs200, which works out to

about Kshs4 per person. There is no project that you can undertake with that money and develop yourself.

Another thing that I feel will continue to hinder the development of this country, unless we face it squarely, is corruption. When the NARC Government came to power in 2003, corruption was one of the areas that was identified to be the main monster facing this country. Unfortunately, somewhere along the line, we forgot that we ought to address corruption, yet it is a big hindrance to whatever we want to do in this country. For example in the area of roads, the Minister allocated Kshs65 billion, but I can almost guess that out of that amount, only Kshs35 billion will go to road construction, and even so the quality of the roads constructed will be so poor because of corruption. Instead of a road lasting for five to ten years, it will only last for one or two years and start developing potholes, thus requiring more money for repairs.

Mr. Mututho: On a point of order, Mr. Speaker, Sir. Is the hon. Member in order to anticipate corruption in the implementation of such a major Budget Item, and when we are so serious about road construction? I have just heard the hon. Member say that, out of the Kshs65 billion set aside for roads, over Kshs35 billion will surely go to corruption! Is he in order?

Mr. Speaker: Mr. Ngugi, is that what you said?

Mr. Ngugi: Mr. Speaker, Sir, what I said is that corruption is a big menace in this country. I was explaining that, for example, in the roads sector, because of corruption, only about 35 per cent or 40 per cent of what is allocated goes into real road construction. The rest, possibly, would go to corruption, unless the Member is defending corruption.

Mr. Speaker: Order, hon. Ngugi! The rest of the money cannot go to corruption. The best you could have said is that the rest of the money is misappropriated. Just take note.

Your time is up!

Mr. Ngugi: Mr. Speaker, Sir, I have not even started.

Mr. Speaker: Your time is up, Mr. Ngugi! Yes, Ms. S. Abdalla!

Ms. S. Abdalla: Thank you, Mr. Speaker, Sir, for giving me this opportunity to make a few remarks on this year's Budget. I would like to take this opportunity to congratulate the Minister for Finance for his very *mwananchi*-friendly Budget.

I would like to comment on one or two things. First, I will start with water and irrigation. There is an allocation of Kshs1 billion for the development of multi-purpose water dams. That money has also been reimbursed to the Mzima Springs which directs water from Sabaki to Mombasa City. It is very unfortunate that the people who are next to that river do not even have a drop of fresh water. I wonder why there is that imbalance. Water comes from the River Sabaki to Mombasa and yet, the people of Sabaki do not have fresh water. So, it is important that the Government looks into that issue.

The other thing that I would like to comment about is the Constituency Development Fund (CDF) kitty. I appreciate the comments by the Minister that the CDF is meant to enhance the development of this country. But it is unfortunate that some areas do not even have CDF offices and yet, there is Kshs1 million allocated for CDF offices.

The Minister also mentioned that the Government was not able to achieve the goals of CDF projects because of governance-related challenges. I wonder what those challenges are! We did not achieve development in the regions due to lack of consultations. We did not consult the people in the grassroots on how to use that CDF money. It is very unfortunate that 70 per cent of the Members in the Tenth Parliament are new. Most of the former Members of Parliament were not elected due to the misuse of the CDF money. The CDF money was politicized and it only benefited a few cronies of the Members of Parliament. I can remember when we were attending the Safari Park workshop, it was mentioned by the Clerk that the Government was not able to tour all the constituencies because it did not have sufficient funds. I would suggest that whatever Budget is

available should be distributed equally to all the constituencies. Even the CDF kitty for every constituency should contribute to that particular budget, so that we could make it possible for the National CDF Management Committee to tour all the constituencies and ensure that the Fund is managed well and properly utilized.

Mr. Speaker, Sir, a sum of Kshs468 million has been allocated to the Ministry of Youth Affairs and Sports. I wonder how that money is going to be distributed. That is because there are some areas which do not even have polytechnics. I know about Lamu Polytechnic which is now a police post. So, I wonder what the Government is doing about it. There are no polytechnics at all in some constituencies and even districts. We appreciate the Kshs65 billion that has been allocated to roads. The Minister said that, that will also create opportunities for employment. But it is unfortunate that Lamu, being a tourist centre and recognized as the sixth heritage site in the world, does not have an allocation for the roads. For the last 45 years, Lamu has not had even one kilometre of tarmac. It is very unfortunate.

Mr. Speaker, Sir, there were plans for a second Port in Lamu. I wonder what happened to that! That is because the Mkanda Trench was degraded, although it was poorly done. Instead of doing any good, it is now causing many accidents. Again, I wonder what the Government is doing about it, because it is an accident hazard now. So, I hope the degrading of the Mombasa Port to create a free port in Mombasa will be done in a professional manner so as not to be the same as what was done in Lamu.

Mr. Speaker, Sir, I beg to support.

Mr. Speaker: My successor, Dr. Ottichilo!

(Applause)

The Member for Emuhaya (Dr. Wilber Khasilwa Ottichilo): Thank you, Mr. Speaker, Sir. First and foremost, thank you for giving me this opportunity. I would like to make my maiden speech and then contribute to the Budget Speech.

First, let me take this opportunity to thank the Tenth Parliament and, specifically, the Orange Democratic Party (ODM) for electing our Speaker which, to me, is a very, very important thing. The people of Emuhaya are very happy about what happened. On behalf of the people of Emuhaya, I want to congratulate you for the good work that you are doing. Please, continue doing the good work.

(Applause)

Secondly, I want to thank the people of Emuhaya for electing me to be their Member of Parliament. That is, indeed, a great honour to me.

Thirdly, I want to thank my party, ODM, for sponsoring and supporting me during the campaigns, which made me win the by-election.

Mr. Speaker, Sir, Emuhaya Constituency, like many other constituencies in this country, experiences a lot of problems. Those problems have been ably covered in the Budget Speech and I will not endeavour to go into the details. However, the main problem that the people of Emuhaya are facing is poverty. Poverty in Emuhaya is rampant. Over 60 per cent of the people live below the poverty line. There is poor road infrastructure in the constituency. There is also rampant unemployment, particularly among the youth. I am happy that the Minister for Finance has tried to address this issue, although not adequately.

Like many other areas, Emuhaya Constituency is facing a big problem of declining education standards. That is an issue that is worrying most members of the constituency. There are

very poor health facilities and water provision services.

Last, but very important, is the issue of insecurity. Insecurity has become a major problem in the constituency. Many businesses are closing down because of insecurity. So, that is an issue that I would like addressed very urgently, if the constituency is going to continue seeing any progress in development.

To address all those issues, I intend to work with the Government, the people of Emuhaya and, particularly, all the professionals from that constituency. As the Member of Parliament for Emuhaya Constituency, I will work hand in hand with the Government to ensure that the Coalition Government succeeds. That is very crucial for us in Emuhaya. We would like to support many endeavours that have been identified through the Coalition Government. Among the issues that I will support very strongly is the review and enactment of a new Constitution. There is also the issue of the resolution of the land question in Kenya. This is a matter that I will follow very closely and I would like to work with other hon. Members to ensure that this issue is resolved. The issue of equitable distribution of resources in this country is a major issue. This is an issue I will dedicate my time to in Parliament; to debate and ensure that we have equitable distribution of resources in Kenya.

The issue of corruption and impunity has been highlighted. This is an issue that I would like to vigorously contribute to in order to ensure that the problem of corruption and impunity in this country is lessened. Lastly, the issue of ethnicity is one that we need to tackle. This august House needs to tackle this issue without fear to ensure that all communities in Kenya live in harmony and that they are free to engage in business in any part of this country.

With regard to the Budget, I would like to commend the Minister of Finance for coming up with a well-balanced and focused Budget which has attempted to address many key issues, particularly social, economic and to a lesser extent, political.

Prof. Kaloki: On a point of order, Mr. Speaker, Sir. We know that we have a new Member. Could he, please, address the Chair with the words, "Mr. Speaker, Sir"? That way, he will be addressing the Chair.

The Member for Emuhaya (Dr. Ottichilo): Mr. Speaker, Sir, I would like to continue with my contribution to the Budget Speech. As I was saying, overall, the Budget Speech was well-balanced and well-focused. The Minister has covered many issues which are of importance to this country. Of importance is the issue of roads infrastructure. This country has a problem with the roads infrastructure. What the Minister has done, to provide funding for major highways and roads is commendable. However, there is need to provide more resources to rural access roads. These rural access roads are very important. I would like to highlight the issue of money from the Kenya Roads Board which is given to constituencies. This is money which, in my view, should be given to the CDF so that it can be effectively used to improve the roads network.

Mr. Speaker, Sir, the other issue I would like to highlight is the issue of provision of sources of energy for faster growth. This is an area I would like to commend the Minister for allocating over Kshs4 billion for the generation of energy. I am very happy that he has focused on clean energy sources, particularly geothermal power, solar energy and wind energy. This will go a long way in resolving the energy problem this country is faced with.

[Mr. Speaker left the Chair]

*[The Temporary Deputy Speaker
(Prof. Kaloki) took the Chair]*

Mr. Temporary Deputy Speaker, Sir, the other issue that I would like to commend the

Minister for, is the issue of trying to promote ICT development in this country for faster growth. This is a very good approach and I believe it is an area that has a lot of potential to create jobs for our youth. We will need to do a lot in ICT. In this regard, it is important that an ICT policy be enacted to direct this sector.

I would also like to commend the Minister for bringing forth the issue of promoting science and technology. This is a very important area. Science and technology is very important for the economic growth of any country. By strengthening institutions that will promote this area is a very important thing that the Minister has done. I would like to commend him on this aspect. This is an area that we will need to focus on, especially the area of research and development. I would like to note that research is extremely important. I urge that the Minister, in future, should consider allocating, at least, 1 per cent of our Gross National Product (GNP) to research. This is because research is extremely important.

Lastly, I would like to say that the issue of creating employment for our youth is extremely important. I would like this area to be highlighted, particularly when it comes to the Youth Enterprise Development Fund (YEDF). As most hon. Members have highlighted, most of the money allocated in the YEDF and the Women Enterprise Development Fund (WEDF) does not readily get to the intended targeted people because of the procedures and processes involved in getting this money. So, I am proposing that this money should also be availed through the CDF so that our youth and women can access it quickly.

Thank you.

The Minister for Regional Development Authorities (Mr. Gumo): Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me a chance to support this Budget. I think this Budget is one of the best we have had for some time. The Minister considered almost every area that affects *wananchi*.

There is one area that the Minister did not consider much and that is the road between Kitale, through Lokichoggio to Southern Sudan. There is now a lot of development in Southern Sudan. We have a lot of our young people and businessmen working there. They are doing a lot of business in Southern Sudan. As you all know, Southern Sudan is using the Port of Mombasa. That road I am talking about is the only one to Southern Sudan at the moment. The road is finished completely. Today, all the trucks go through Kampala in Uganda to Southern Sudan which is a very long route. They have to go through two borders. In this case, they can only go through one border. On the other side of Southern Sudan, the road is already being done from Juba to Lokichoggio. On our side, we are not doing anything.

Mr. Temporary Deputy Speaker, Sir, today, doing business in Kenya only is not enough. We complain all the time about our population. Unless we open up this road to our neighbouring country, we will not be doing any service to our country. We need to open up the road to this country. On the other side, Uganda is now tarmacking the portion that had remained to the border. Here, nobody bothers and yet this is business. You know, today it is business. It is not just about saying that you want to make the road to your home.

Mr. Chanzu: On a point of order, Mr. Temporary Deputy Speaker, Sir. Mr. Gumo is a Cabinet Minister. Is he in order to say that nobody bothers and yet he is in the Cabinet?

The Minister for Regional Development Authorities (Mr. Gumo): Mr. Temporary Deputy Speaker, Sir, that is the truth and I must remind hon. Members whether I am in Cabinet or not. This is business for the country. When I speak like this, I am helping this country. I am not speaking for myself!

I thank the Minister for Finance for allocating money for the road to Ethiopia. That is very good, but he should have considered this one also. This is because that road which is mainly used by trucks is extremely important. In fact, he should try to look for money because I do not see why

trucks should move from Mombasa through Uganda when they can go to Juba directly from Kenya. This is needless!

Mr. Temporary Deputy Speaker, Sir, another issue that I would like to raise is that of markets, particularly in Nairobi. This matter concerns the Office of the Deputy Prime Minister and Minister for Local Government. For many years, nearly 25 years, not even one single new market has been put up. That is why we are having a lot of problems with *kiosks* coming up all over. You must have noticed that Kenyans have adopted a very funny way of operating. They think they must bring a market to your gate. Instead of people going to the market, there are now businessmen bringing markets to your house! This is not proper! We must have markets, so that people can go to the markets. It does not matter how far the market is, people will drive there and buy whatever they want. But we have left people to build *kiosks* all over. As a result, we have now created the Ministry of Nairobi Metropolitan Development. I do not know whether it will manage the *kiosk* menace. Some of us, as hon. Members, sometimes when *kiosks* are brought down in our areas, have to go there, otherwise we lose votes!

Therefore, we need to build markets so that we can have people going to them. Instead of doing that, we are always talking of "wanawake 30 per cent"--- When I was in primary school we were about 30 children. Out of that number, there were only seven girls. Today, if you visit any primary school there are more girls than boys. So, whoever is talking of 30 per cent share for women to achieve gender balance is still backward! There are so many women! If you visit the University of Nairobi, they form 50 per cent of the population. They can compete! Let them compete like everybody else. In fact, if you go to the rural areas, there are women who look after men. The majority of men just go drinking, and when they go home they get food there. Who looks for this food? It is the women! If anything, it is the men who should be taken care of!

(Laughter)

Men are suffering. They are looking for jobs, but they cannot get them. You will not get many women who are educated in this town who do not have jobs. Today, if you attend an interview, if there are ten vacancies, eight women will get them. Only two men will be given the job. So, if we continue talking of the 30 per cent to achieve gender balance, women will by-pass men! When women are in power, they are a problem!

(Laughter)

They create problems even in the homes. Men cannot talk!

Mr. Muthama: On a point of order, Mr. Temporary Deputy Speaker, Sir.

The Temporary Deputy Speaker (Prof. Kaloki): Mr. Muthama, what is your point of order?

Mr. Muthama: Mr. Temporary Deputy Speaker, Sir, I do not think that Mr. Gumo is in order to keep on challenging issues that involve women. The policy of 30 per cent opportunities to be accorded to women is meant to promote them. It was decided on by His Excellency the President, whose Government the Minister serves! He should support Government policies!

The Minister for Regional Development Authorities (Mr. Gumo): Mr. Temporary Deputy Speaker, Sir, that is not a point of order!

Ms. Odhiambo: On a point of order, Mr. Temporary Deputy Speaker, Sir.

The Minister for Regional Development Authorities (Mr. Gumo): We cannot have two points of order! One at a time!

The Temporary Deputy Speaker (Prof. Kaloki): Order, hon. Members! There is a point

of order that has been raised by Mr. Muthama, the hon. Member for Kangundo Constituency. It is up to Mr. Gumo to respond to it!

The Minister for Regional Development Authorities (Mr. Gumo): Mr. Temporary Deputy Speaker, Sir, I am not challenging the 30 per cent policy. I am not sure if Mr. Muthama is aware of that if you go round today and talk to women who have got jobs on their own initiative, they do not support that policy. Even some of the ladies in this House have fought men and defeated them; they were never assisted by anybody! If we encourage this idea of saying that we should give women a chance, in fact, they will just sit and wait for that 30 per cent allocation. If you visit some offices and find women Permanent Secretaries who have been appointed to those positions on merit, they are very proud of their positions. In fact, they are very happy. It is only the lazy ones who are fighting--- It is only those women who do not even have husbands who are fighting to get this 30 per cent share! The ones who are working, are efficient and are educated, are doing a good job. They are very happy and are ready to compete!

Ms. Odhiambo: On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the hon. Member in order to allude to the fact that women are problematic and suggest that women who are unmarried are the ones who are benefiting from affirmative action? I stand here as a testimony to affirmative action. Not only am I married, but I am hard working, articulate and active! Is the hon. Member in order to mislead the House?

The Temporary Deputy Speaker (Prof. Kaloki): Mr. Gumo, let us move on. Let us contribute to the Motion before us.

The Minister for Regional Development Authorities (Mr. Gumo): Mr. Temporary Deputy Speaker, Sir, in fact, Ms. Odhiambo supports me. She has just said she is hard working and has performed better than many men. She does not need to be among the 30 per cent! That is very good!

Mr. Temporary Deputy Speaker, Sir, the issue of security in this country has been a problem. A lot of money has always been allocated to security. But there are times when security is misused. Sometime back, for the General Service Unit (GSU) officers to come out of their barracks, it had to be something very serious, which the ordinary police officers could not manage. Today, even when somebody goes to the radio and says that tomorrow we shall have demonstrations, they get GSU officers out. The GSU is a very powerful police unit that should not be used just like that. Sometime back they used to be called "*Fanya Fujo Uone*". They should only come out when it is necessary. We have enough police officers to do this job. We have now reached a stage where *wananchi* are throwing stones at the GSU officers. This is something I never heard of before. So, the commandant of this unit should make sure that these officers go out when the regular police officers have failed. We respect our forces. They are very disciplined and are doing a very good job. They should be kept like that.

Thank you, Mr. Temporary Deputy Speaker, Sir. I beg to support.

Mr. Were: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to contribute to the Budget Speech. Many hon. Members have said that it was a well-planned Budget. My worry is that the figures that were quoted seem to be too high. I am not able to understand how the Minister is going to bridge the deficit of over Kshs100 billion.

Mr. Temporary Deputy Speaker, Sir, I want to mention a few points which the Minister touched on. First is the issue of roads. It is good that the Minister has spared Kshs65 billion to be used on the construction and maintenance of roads. My problem is that the time taken to construct roads is too long. We have realised that contracts are given out, and it takes up to five years before a contract is completed. We should come up with a system where the time spent on road construction is reduced.

The other problem affecting this issue of roads is the distribution of the roads being

constructed. Some areas are actually marginalised when it comes to the construction of roads. In some areas many roads are tarmacked, even where there is very little traffic, while the roads with heavy traffic are ignored. I would request that the issue of distribution is looked into, so that it is done fairly.

Mr. Temporary Deputy Speaker, Sir, on the issue of the railways system, it is surprising that for 100 years we have not constructed a single inch of railway line, while it took the British five years to construct the railway line from Mombasa to Kisumu. We have gone for more than 40 years without constructing even one inch of railway line. This is an area that should be considered, because our roads are being damaged. Many goods coming from Mombasa come by roads. Most of the trucks are too heavy. Whatever kind of road we construct, it is very difficult for it to withstand the kind of trucks that we have. If we take, for example, the road between Mombasa and Nairobi, the completion of works was three years ago. But if you travel on that road right now, it is already damaged. This road, which was supposed to last a period of between 10 to 20 years, has been damaged within a period of three years. So, what the Government should emphasise on is the railway line. We should construct more railway lines and repair the one that we have so that we can transport goods through the railway lines.

Mr. Temporary Deputy Speaker, Sir, the Minister talked about Kshs6.8 billion for rural electrification. That is a very good idea. So many projects are going on in the country. But my worry is that most of them are taking too long to complete. You will find a project that is running for only five kilometres taking a period of over six months to complete. What we have realised in most cases is that we have very few contractors who are awarded those jobs. So, you will find a contractor having ten jobs and there is a problem of finance. I have an example of a project in my constituency worth only Kshs5 million. It is about four kilometres long. It took close to a year to complete. When we tried to find out the reason for that delay, we discovered that the contractor had so many other jobs. He has to sink in his own money, reach a certain stage before he can be paid. So, it reached a point where he was unable to do all those jobs because he did not have enough money. Therefore, it would be my request that those jobs be distributed to many contractors, rather than relying on very few contractors. The time taken to complete those contracts takes long.

We have also realised that even on completion of those projects, the common man has found it very difficult to tap that electricity. Why? Because it is too expensive! You will find that a transformer is there and when people apply for electricity, they are told to pay Kshs100,000. Primary schools are asked to pay Kshs200,000. It becomes very difficult to enjoy the benefits of electricity. You will find the transformers there, but there are no connections. Why? Because it is too costly! So, the Ministry of Energy should look into ways of making connection charges affordable to the common man.

Mr. Temporary Deputy Speaker, Sir, we are happy with the Government's efforts to ensure that most of our people get education. We have free primary education and we have subsidised secondary education. I am calling it subsidised because the Government is not footing the whole amount. But because of that, the number of students has increased both in primary and secondary schools at a very high rate - more than 10 per cent. However, the number of teachers and facilities has not grown at the same rate. Books are also a problem. It is my request that the Ministry, although we have been promised that 6,000 teachers will be employed--- I look at it as a very small figure. We should have been talking about, at least, three times more than that, to alleviate the problem that is existing.

Mr. Temporary Deputy Speaker, Sir, I come from the sugar industry. We are talking about Vision 2030. We are planning to be an industrialized nation. If we are planning to become an industrialized nation, we must also consider the existing industries. How will you become industrialized when the existing industries are in danger of collapsing? We saw the textile industry

go down the drain. The sugar industry is in danger! Most of the sugar industries that we have in this Republic are on their death beds, maybe, except, Mumias Sugar Company (MSC). There is a grave danger of the sugar industry also collapsing. So, if we are planning to become industrialized and, at

the same time, the existing industries are in danger, how will we achieve that? So, it is my request that the Government looks seriously into the sugar industry which, in fact, is relied upon by 6 million Kenyans.

Mr. Temporary Deputy Speaker, Sir, because I am seeing that time is moving very fast, we, as hon. Members, have an oversight role. Right now, we are discussing the Budget. We are appropriating funds. It is our duty also to know how that amount is used. It is our duty to ensure that the amount is invested properly and spent wisely.

Mr. Temporary Deputy Speaker, Sir, there is one issue that is coming up regarding the Department of Defence (DoD). There is a mini Goldenberg or mini Anglo Leasing which is about to come up. A tender was issued! Tenders were returned. After returning, an evaluation was done on the basis of performance, reliability and maintainability. That tender was for procuring motor vehicles. Ranking was done from number one to number seven. The Tender Board awarded the contracts to two bidders. One was Cathic of China and Renault. They had very good reasons as to why they awarded the tenders to the two tenderers. The reason was that if you purchase from one, there is always a tendency of that one tenderer to hold the DoD to ransom. When it comes to support services, spares and maintenance, you have a problem. So, that is the wisdom which informed the Tender Committee to award the tenders to the two bidders. What we have learnt is that Cathic has already received the Local Purchase Orders (LPOs) and have already supplied. The second company has not received the LPOs. There is something going on at the DoD. Maybe, money is changing hands so that they give the remaining order of 175 vehicles to Cathic while, it was stated very clearly that the other reason for awarding the two bidders was on the basis of performance. Those vehicles were checked---

Mr. Konchella: On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the hon. Member in order to insinuate or assume that a Ministry is doing something fishy? Why does he not give us the details or wait until the "fishiness" gets out, then they can be taken to court?

Mr. Were: Mr. Temporary Deputy Speaker, Sir, if we wait until it ends, money will have been lost. So, it is our duty as an oversight team to highlight those kind of things when we get to know of them. We do not have to wait because, where else will we raise that?

The Temporary Deputy Speaker (Prof. Kaloki): Order, Mr. Were! We need facts in this Parliament! If you have any facts concerning the particulars--- That is because the people you are mentioning are not here to defend themselves. It would be proper that you bring evidence to support your claims. Otherwise, try to conclude your speech, please.

Mr. Were: Mr. Temporary Deputy Speaker, Sir, I have a document which I can table showing that what I am saying is true. What we want to find out is why is it that Renault has not been issued with LPOs up to now.

The Temporary Deputy Speaker (Prof. Kaloki): Your time is up, Mr. Were!

Mr. Were: Thank you, Mr. Temporary Deputy Speaker, Sir.

Mr. Chanzu: Mr. Temporary Deputy Speaker, Sir, I would like to take this opportunity to congratulate the Minister for a well presented Budget. I think hon. Members who were here saw the Minister making his presentation very well. He was calm and it flowed very well. Generally, I would say that it was a good Budget. However, we have to keep on emphasising and re-emphasising what we have said here before. We are an agricultural country. Agriculture is the mainstay of our economy. So, I am still saying that agriculture should be accorded more in terms of funding.

Mr. Temporary Deputy Speaker, Sir, we still have got a lot to be done when it comes to agriculture, particularly issues like extension services. We even need to diversify in some of the areas. The other day when the Minister for Agriculture was saying that they want to spend about Kshs10 billion to import maize, I was wondering about the impact the money would make if we were to spend it, or only part of it, locally. We have the Ministry of Water and Irrigation. If we spend part of that money to irrigate our farmlands, I am sure, we will be able to produce more food and sustain production of the same rather than spend a lot of money importing food and come next year, we still talk about the same problem. So, the agricultural sector should be accorded more.

I want to thank the Government for creating the Ministry of Industrialization. It is a very good idea. I know that this has been done before, but in a different fashion. The *Jua Kali* sheds in Muthurwa, Nairobi, and elsewhere, for instance, were created out of this kind of innovation. It is getting to a time when we should take this seriously. I was hoping that the Minister would put a lot more money in the Ministry of Industrialization. We talk about taxation measures, every time repeating ourselves and changing terminologies. We are taxing the same people whose incomes are not rising. In fact, our people's incomes have been eroded.

Mr. Temporary Deputy Speaker, Sir, considering the current rate of inflation and comparing what people were earning ten years ago with what they are earning now, I am sure we are counting in terms of negative figures. So, we are talking about taxing the same people. I would like a situation where we will put in a lot of innovation. If we could put in more funds and more skills towards promoting the *Jua Kali* sheds I see in Muthurwa and Shauri Moyo markets, I am sure, we can produce items which we can even sell outside those places. When some of us went to school, we used boxes which were made of paper coated with some plastics.

Before, there were wooden boxes. Later on, there were boxes which were made of a kind of paper and covered with some kind of plastics. Nowadays, you cannot use those boxes in schools. Now, we are having to use the steel boxes from the *Jua Kali* sheds at Shauri Moyo Market. That is what I would like to encourage. We should spend more on such initiatives. We have many students going to schools like Lenana High School and Alliance High School within this locality, and many more going to secondary schools all over the country. We have got many secondary schools. If the students were to use such steel boxes, there will be a lot of creation of employment. So, I would like to stress that we put more emphasis on industrialization.

Mr. Temporary Deputy Speaker, Sir, I know that money has been allocated for infrastructure. We have talked about roads and electricity. Every year, we are here, as Members of Parliament. The public listens to us every year, coming up with Budgets and talking about the same things - that, we have allocated money to this and that sector. However, follow up and implementation is the problem. So, I would like us to support the idea of providing more funds for the infrastructure, like it has been done for roads and electricity, and so on. We must have in place institutions which can make sure that whatever money is allocated is put to proper use.

Also, on infrastructure, I have been looking at the Likoni Ferry. Recently, I visited one of our neighbouring countries. We have got a problem of being brain washed. Every time, we want to relate things to those in the western world. We want to talk about what we saw in the United States of America (USA) and the United Kingdom (UK), but there is also a lot happening in the neighbourhood. One of the countries I visited recently, is being crossed by the Nile. They have built five crossings, across the Nile, which is very wide. When I looked at those crossings, I thought they were wider than what we would do at the Likoni channel.

Mr. Temporary Deputy Speaker, Sir, we like talking so much. We keep on talking here; we talk big. We talk about the country being a heaven in this region. Other countries are developing much faster. I would expect us to do something about the Likoni Ferry. Talking of tourism, we want, once tourists get to the coastal area, to be free to move from the north coast to the south

coast. Many people would want to see our country, but sometimes you take a lot of time to cross to the south coast in a ferry. So, I would like the Government to put more money into that, so that we can have the ferry crossing.

There is something else the Minister talked about, which was interesting. Many people were happy about it, but it has not gone down to the people. That is zero-rating of bread and rice. That was okay, but there have been a lot of issues that this was done belatedly and so it will not trickle down to the people. I know, maybe, in the long-term, if he persists on it, it will work. However, there is the aspect of the commodities that he did not zero-rate. Where I come from - Western Province, Vihiga - in December, a bag of maize was costing between Kshs1,200 and Kshs1,400. Today, it costs Kshs2,500. I expected the Minister to be very pragmatic and talk about this because, maize, beans, *et cetera*, are the main foodstuffs which our people feed.

Mr. Temporary Deputy Speaker, Sir, I also expect a lot of innovation in whatever we are doing. As I said, we cannot just keep on going round about taxation, trying to get more taxes from the same person. A number of years back, this Government, together with the so-called "development partners", spent money on oil exploration in the northern part of the country. I would have liked the Minister to also take this into account because, if Sudan is now able to produce her own oil, we should also be able to, at least, conclude the exploration. If there is no oil deposits, we should know.

The other thing the Minister talked about is tourism, as a foreign exchange earner. He gave some incentives like removing duty from the gym equipment. I did not understand what he meant by that. I do not think removing duty or tax on gym equipment at, say, Serena Hotel, is adding a lot of value. Maybe, there is a way in which he will implement this policy, but I am just thinking that, as we allocated money for infrastructure, we should have been specific to what we were allocating so as to improve our tourism sector, particularly the funds that we were allocating within the tourism areas.

Mr. Temporary Deputy Speaker, Sir, there was one aspect which was impressive, which I noticed. For a long time, the Recurrent Expenditure has been so high in this country, but I notice that the Minister has made an effort to reduce it. I commend him for that because, if you are not realising development in any economy, then you are not progressing. If you are going to be spending money on salaries, and you are not developing anything, it means you are not investing. I am happy that, that gap is being reduced.

Another thing I want to talk about is on the devolved fund. I do not think we have been given enough. We have been given only 2.5 per cent. We have seen in the constituencies that---

The Temporary Deputy Speaker (Prof. Kaloki): Time up!

Mr. Chanzu: With those few remarks, I beg to support.

The Temporary Deputy Speaker (Prof. Kaloki): Order, hon. Members!

Mr. Were, you supplied to us some documents to support your claim. Looking at the documents, I find that they do not have letterheads or signatures to signify where they come from. So, I rule that they are not authentic.

The Member for Kilgoris (Mr. Konchella): Thank you Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity. I want to contribute and thank hon. Members for having worked for the last six months without me. I am now here to join you to make sure that this Parliament does what Kenyans want.

Mr. Temporary Deputy Speaker, Sir, let me first of all congratulate Mr. Speaker. I have been out there since his election; he has been doing a great job. The people of Kenya are very proud of his performance. We, as a Parliament, should support him in every way.

Mr. Temporary Deputy Speaker, Sir, let me also congratulate hon. Members of Parliament who have been elected. I know there was a "tsunami" that sent my colleagues out of here. As I look

around, I cannot see most of them. I believe the new ones will make friends soon and we will know each other, so that we work for this nation.

Mr. Temporary Deputy Speaker, Sir, I also want to thank the people of Kilgoris for re-electing me. It has been a tough fight. In deed, doing two elections in six months is quiet a difficult job. However, because of God's grace, we have been able to do that and we are here again to serve our people.

Mr. Temporary Deputy Speaker, Sir, I want to go back to the issue of what I saw. We know that after the last general election this country was on fire. We watched in horror when people, who had lived together for 40 years, killed each other and destroyed the economy and nation that they had built together. It was a shame! It is something that, as a people, we must fight and ensure does not happen again. In particular, I saw what this House did; it rushed through certain laws to try and sort out the situation by having what is now the Grand Coalition Government. Unfortunately, Members of Parliament did not realise that they had lost a very good opportunity to sort out what they are now trying to do, creating an Opposition.

Mr. Temporary Deputy Speaker, Sir, in the democratic world today, there is no country, even if we are talking about a Grand Coalition Government, that has no oversight responsibility, or that is not able to control what the Executive is doing. The Executive is empowered by this Parliament to spend the money which we are talking about here. But unless there is a watchdog--- The Parliament should make sure that they account for what they are doing. We will always be talking about corruption. This corruption we are talking about--- surely there must be an end to corruption. There must be a way to reduce corruption. We are not talking about reducing corruption here; we are just talking about corruption being there. People are just saying that it is likely to be there. So, as a Parliament, what are we doing to ensure that whatever is happening will not happen again?

Mr. Temporary Deputy Speaker, Sir, the more corruption takes place in our nation, the more poverty is going to be there. That is the more youths will be running around, looking for us for jobs. Jobs will not be created because of corruption. So, it is something to watch more seriously than we think. It is something that we must sit and address, as a Parliament. This can be done through committees, or even through discussions outside Parliament. We need to see how we can address these issues.

Mr. Temporary Deputy Speaker, Sir, it is more serious when you go down to the country side. You see unemployment and how many people are crying for lack of jobs. This is a manifestation of what we saw when Kenya was burning. I saw what ethnicity can do to divide a nation. I saw how neighbours can destroy each other. Let us, as a Parliament, now head to the review of the Constitution and, indeed, come out with a law that is going to protect the people of Kenya for the next 100 or so years. Going back to what we have seen will not help.

Mr. Temporary Deputy Speaker, Sir, talking about the Budget, I want to congratulate the Minister for Finance. I know that for the last three or four years he has tried to bring a Budget aimed at the growth of this economy. In deed, the pillars of Vision 2030 were put there to try and address poverty and achieve economic development for this country. Unfortunately, we have been set back by the election process, and the problems that destroyed the economy. However, there are a number of issues that must be--- Budgeting should address very fundamental issues.

Mr. Temporary Deputy Speaker, Sir, one of these issues is the people of Kenya. Will our people be any better out of this Budget we are talking about? If our people are going to be as poor as they were last year, then we are wasting our time here. The Budget must address the poverty among these people. Our economy will only grow if we are all spending, because we have something to spend, but not when we beg for food or shelter. It must address education, because unless we are able to educate our people and achieve high literacy levels our country, as a nation,

we will not move forward.

Mr. Temporary Deputy Speaker, Sir, the Budget must also create jobs. I just want to look at one scenario; we privatised the Kenya Railways to Rift Valley Railways, but we do not see much. We destroy the roads we spend money to built. Kshs60 billion is a lot of money, but we destroy our roads within a year or two, because we are not able to transport our bulky goods by rail. If we want our youths to be employed, we, as a Parliament, this nation and Government should aim at high expenditure. We should not have 40 per cent for development and 60 per cent for Recurrent Expenditure. We should aim at a higher expenditure so as to create jobs. We aim at that which will give us economic advantage.

Mr. Temporary Deputy Speaker, Sir, here I am talking about the markets for this country. The whole world is moving to the East. Kenya is the biggest gateway to Africa. We should aim at investment in the supply of goods and services to the markets within Africa. We are the gateway.

Mr. Temporary Deputy Speaker, Sir, the process of budgeting should address the issue. Why can we not have a high-speed rail wagons from here to Congo River? We will supply the whole of West Africa, and all our youths will be employed. We can have another high-speed rail line from Malindi all the way to Southern Sudan and Ethiopia! This should be the direction of our investments if we want to alleviate poverty in this country and move forward, as a nation.

Mr. Temporary Deputy Speaker, Sir, there are a number of issues which could be addressed by the Budget, particularly since Parliament is the guardian of the investments of this nation. When you talk about Kshs1 billion as capital for someone to start a bank, surely you are joking. I think 70 per cent of our banking sector is in the hands of foreigners. How long are they going to enjoy the labour of our people through investments in foreign banks? We should allow Kenyans to move from where they are and get about 50 per cent ownership of the banking sector. That way, we will create and maintain most of the wealth in this country.

Mr. Temporary Deputy Speaker, Sir, I believe this House should say "no" to the Minister on that particular item of the Budget, and this should also apply to microfinance institutions. People in rural areas should also be able to invest in this sector in order to develop themselves. So, why make it so difficult for them to do so? It is this Parliament that should protect them.

Mr. Temporary Deputy Speaker, Sir, these are some of the things that we need to address.

Mr. Temporary Deputy Speaker, Sir, on the issue of Information and Communication Technology (ICT), I know we are developing a lot of call centres in the country. We are trying to bring two ICT centres in Nairobi. What for? We are attracting a lot of idle youths, youths who have no jobs, to Nairobi, just to come and learn! Why can the Minister not create an ICT infrastructure within the provincial level, so that youths can be trained at the provincial level and then go back to their districts? We are awaiting the fibre optic cable by 2010. We need to address training of ICT within the districts and secondary schools levels. So, let us not bring a system of ICT to Nairobi because we will be creating more infrastructural problems. Let us make sure that it is at the provincial level, so that we can develop it at the district level. We shall employ more people. That is because the future of employment of our youths is ICT. So, let us address that issue at the district and constituency level as opposed to Nairobi. That is because we are just going to flood Nairobi with a lot of idle youths.

Mr. Temporary Deputy Speaker, Sir, there are a number of problems which I would like to mention, particularly in my constituency. But because of time--- We have no water in Kilgoris Town. All the children are going to the rivers to fetch water because the Ministry of Water and Irrigation or the department that deals with water is not able to pay the bills for electricity. I will bring a Question to ask the Minister to authorise---

With those few remarks, I beg to support the Motion.

Mr. Ombui: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this chance to

contribute to the Motion on the Budget.

Mr. Temporary Deputy Speaker, Sir, in the Budget for this year, the Minister gave a very good background of where he based the Budget. We are expecting a lot out of it. He spelt out his main objectives for implementing the Budget. I mean the objectives which he intends to achieve by the end of the period.

Mr. Temporary Deputy Speaker, Sir, the Budget seems to cover a very wide area and almost all the sectors of the economy. We expect to have a very big improvement in terms of growth and development in the country at the end of the budget period.

Mr. Temporary Deputy Speaker, Sir, to start with, the Budget dwells a lot on specific areas. But I am more interested about infrastructure and, specifically, roads. For any economic growth to occur in a specific area, there must be a highly developed roads network to assist individuals involved in either trade or agricultural production to transport their commodities to specific centres. Roads have been allocated Kshs65 billion and, in that case, we expect a lot of development. As many hon. Members have said, roads in some specific areas have not been properly addressed. You will find roads that have taken more than five years to complete, when they are supposed to take about three years!

Mr. Temporary Deputy Speaker, Sir, there are potential areas that need to be connected with good roads so that agricultural produce and other commodities from those areas can be taken to the markets for trading. I come from an area where the road system is not at all adequate. But the area is potentially rich in terms of agricultural production.

Mr. Temporary Deputy Speaker, Sir, in most cases, tenders are awarded and, at the end of the day, roads are not developed at specific points. But with that kind of allocation, almost all the roads that have been tendered and awarded can be constructed. I have in mind a very important road in my constituency which connects Rift Valley and Nyanza and, subsequently, a very potential district which is very rich in the production of crops. If that area is well tapped, we can have a huge production of crops like tea, maize and so on. That road connects Chepilate and Chabera in my constituency. It connects Rift Valley with Nyanza Province and, at the same time, connects the northern part of the province to the southern part of the province.

Mr. Temporary Deputy Speaker, Sir, on the construction of roads, the Minister indicated that we shall have labour-intensive methods of maintaining our roads. But in most cases, I believe that, if the money for roads maintenance is properly channelled through the Constituencies Development Fund (CDF) Committees and, in that case, is handled by Members of Parliament, we can have proper maintenance of roads. In most cases, money is channelled through the District Roads Boards but, it is not properly used. The officers in charge do not conduct proper monitoring of how those roads are maintained. At the end of the day, you are told: "This road has been maintained!" But when you drive along it, you find that nothing has been done. The money has already been taken.

Mr. Temporary Deputy Speaker, Sir, I recommend that Members of Parliament must be involved in the roads maintenance process in their constituencies. They must have a say over the maintenance of those roads.

Mr. Temporary Deputy Speaker, Sir, still on infrastructure, I notice that airstrips are not under the control of the Kenya Airports Authority (KAA). Most of those airstrips are not properly maintained! My recommendation is that, if possible, we should have airstrips under the control of KAA. That way, those airstrips will be improved. They will assist areas which do not have airports.

Mr. Temporary Deputy Speaker, Sir, with regard to electricity, a lot of money has just been allocated to the Ministry of Energy. It is important for the Ministry to reduce the cost of supplying electricity. Payments should be structured in such a way that poor people can pay them over a longer period of time. Once they pay a specific deposit, they should be allowed to pay the

remaining balance for, let us say, one or two years, so that every person in the locality can be able to afford electricity, which is a necessity in life.

Mr. Temporary Deputy Speaker, Sir, with regard to Information Communication Technology (ICT), the Minister has taken a very good move. But I recommend that we start the subject of ICT right from primary and secondary schools so that, every person in the country can learn about ICT.

The Minister has, at the same time, reduced the licences that are charged for specific businesses. But I want to caution that: Let us not use the reduction in the number of licences to increase the fees charged for specific licences.

Mr. Temporary Deputy Speaker, Sir, with regard to industrialisation, the Minister has set aside Kshs300 million to cater for seven areas in the country. But it is very unfortunate that the area where I come from has not been catered for. Kisii region produces a lot of bananas hence we require a banana processing industry. Nyamira District produces pineapples in large quantities. If we set up a factory to process pineapples, we could assist the local women who always run across the roads looking for a market for their fruits. That way, we could give them an income to assist them in their economic growth.

Mr. Temporary Deputy Speaker, Sir, with regard to the youth, although we are stressing that we need to create employment for them, but they must be very seriously engaged to know how they can get that income. We can create employment for the youth by reviving youth polytechnics and introducing courses that will enable them to acquire specific skills. At the same time, it can assist them to work and earn a living. This is very important, and we hope this can be addressed.

With regard to the issue of reduction of the general prices, the Minister has clearly indicated that there will be a reduction of prices of essential commodities. But, as we speak, there is no reduction in the price of bread, sugar and even fertiliser, which is also very important as far as agricultural production is concerned. So, we recommend that the prices of these commodities be reduced. But in most cases, it is not possible for any businessman to reduce the prices of these commodities unless the issue of the escalating prices of fuel is addressed.

Mr. Temporary Deputy Speaker, Sir, on the issue of the Internally Displaced Persons (IDPs), in most cases, we have found out that a good number of our people although they have been resettled, they have not been well catered for. We request the Government to make sure that these people are well catered for to enable them to settle down.

The Minister also talked about water. Water is a necessity and it must be addressed. The Government should provide water to our people.

Lastly, let me talk about the issue of taxing allowances for hon. Members. This is very embarrassing--

The Temporary Deputy Speaker (Prof. Kaloki): Your time is up!

Mr. Ombui: With those few remarks, I beg to support the Budget Speech.

Mr. Kathuri: Thank you, Mr. Temporary Deputy Speaker, Sir, for allowing me to contribute to this Motion.

I would want to repeat my names so that, at least, those who do not know me will be able to catch it fairly well. It is a very simple name. I have a very special name. I want to repeat my name so that it sinks in the ears of many hon. Members. My names are Emilio Kathuri from Manyatta Constituency. I stand here to support this Motion. I would like to mention quite a number of issues, which I thought should have been captured well.

To start with, the Minister touched on the issue of the Youth Enterprise Development Fund. Surely, there is no way anybody would think of borrowing money to go and start a business venture, when the interest rates are not attractive. Yes, the interest rate of 9 per cent looks attractive, but if the Minister wanted more youths to access this Fund, he should have reduced the

interest rate further down so that it becomes more affordable to the youth. The same case applies to the Women Enterprise Development Fund. I recall a number of years back, when the Agricultural Finance Corporation (AFC) was disbursing money in our area. Unfortunately, the community ended up shying away from borrowing those funds. This was simply because the interest rates were not appealing. To make these funds more accessible to our youth, I would encourage the Ministry, through the hon. Minister, to think of how they can charge lower interest rates. That will make the funds more affordable to our youth. We know that they are not starting big business ventures. They are just starting small business ventures, which is just a question of survival. When they charge them high interest rates, I think the situation will, definitely, not improve on the ground.

Mr. Temporary Deputy Speaker, Sir, on the issue of university education, I would want to raise the issue of bursaries. We should see more funds being channelled towards the Higher Education Loans Board (HELB) so that they can advance more money to those students who are interested in pursuing further education. There are some parents whose sons and daughters applied for this facility from HELB, but were allocated very little amount. At times, students are given a paltry Kshs13,000. Parents who do not have income expect their children to get an average of Kshs60,000. The shortfall is quite big and such parents cannot raise the fees through other sources. I would imagine that the Ministry should have thought of increasing allocation to the HELB. That way, parents can access more money for their children.

I also expected the Minister to address the issue of levies charged by the Ministry of Lands. The other day, the official search fees for land went up and there has been an outcry from ordinary *mwananchi*. To me, this should not have been the case. If anything, the Minister should have targeted an area like stamp duty because whoever is buying the property is somebody who can afford it. The Minister should have left alone the issue of increasing search fees. If somebody can afford to buy Corner House, even if he was charged 10 per cent, surely, he will still pay the stamp duty. To me, that should have been the right direction. Unfortunately, that was not considered. I hope the Minister will find a way of addressing the issue, maybe, through some internal arrangements. It will be better. That way, the ordinary *mwananchi* will be able to breath fresh air.

Mr. Temporary Deputy Speaker, Sir, we thought that the Minister would have addressed the issue of the skyrocketing prices of fuel. It would not have been so difficult because he would have targeted airtime and handsets instead of bringing the National Oil Corporation of Kenya (NOCK) from the periphery. The NOCK cannot handle this issue. It is not a simple matter. If the Minister decided to increase the cost of airtime, it will not be difficult to raise may be even more than what he would have raised through fuel, and especially diesel which is used by most factories and public service vehicles which serve the ordinary *mwananchi*. As we have seen from the profit made by Safaricom, airtime is in high demand. Anybody who is making a call--- One, it is a luxury. Even if it is not a luxury, that is the person we should target, because they have many other options. When you target fuel, and especially diesel, we are, definitely, targeting the ordinary *mwananchi* who uses PSVs because he has no other option. I think there are other luxuries which the Minister would have targeted more like beer.

Mr. Temporary Deputy Speaker, Sir, I happen to be a teetotaller, but that is not the reason why I want beer to be more taxed. We all know whoever goes to a bar to take a beer, at times, does not even go to the cheapest bar. There are many reasons why that person can even afford to pay more. Even if we look at history, beer prices have always gone up during the Budget and the consumption has equally always gone up. So, even now if it was targeted for more taxation, it will still not be a big issue. When I buy somebody a beer, I also do not ask the price.

Mr. Temporary Deputy Speaker, Sir, the Minister also commented about---

The Assistant Minister for Information and Communications (Mr. Khaniri): On a point of order, Mr. Temporary Deputy Speaker, Sir. Normally this Dispatch Box is reserved for

Ministers and Assistant Ministers on the Government side. The hon. Member on the Floor is neither a Minister nor an Assistant Minister. Is he in order to use the Dispatch Box?

The Temporary Deputy Speaker (Prof. Kaloki): Hon. Khaniri, while that is a valid point of order, but let us just proceed. The sitting arrangement has been an issue, but we have not even ruled about it. Mr. Kathuri, go ahead and complete your contribution.

Mr. Kathuri: Thank you, Mr. Temporary Deputy Speaker, Sir. In any case, we are in a "Grand Coalition Parliament" and we can sit and talk from either side. That is also why the "Grand Opposition" was ruled out.

(Laughter)

Mr. Temporary Deputy Speaker, Sir, the Minister also addressed the issue of lumpsum payments to pensioners. It is very sad that we would want to pay lumpsum payment to pensioners over 65 years old. Surely, with all due respect, those are persons going to their graves. It is only good if we look at the age factor. That is a person who is not productive. Let me moderate my language. I would imagine that the Minister should have addressed the issue of lumpsum payment to any pensioner who has attained the age of 55 years because that is the official retirement age. When we talk of people enjoying lumpsum payment without taxation at the age of 65 years, it is really primitive to those who are below that age bracket because we know they are the ones who need the money more. I wish the Minister can assess that issue so that the lumpsum payments are also not taxable to anybody over the age of 55 years old.

Mr. Temporary Deputy Speaker, Sir, it would have been prudent for the Minister while addressing the issue of irrigation and water, for that matter, to have exempted taxation on tools used for irrigation. I specifically mean plastic pipes or any other instrument.

The Temporary Deputy Speaker (Prof. Kaloki): Hon. Kathuri, I am sorry. Your time is up.

Yes, Mr. Pesa.

Mr. Pesa: Mr. Temporary Deputy Speaker, Sir, thank you very much for giving me the opportunity to contribute on the Budget Speech. As it has been mentioned, my names are Mr. Dache John Pesa, the Member of Parliament for Migori Constituency.

Mr. Temporary Deputy Speaker, Sir, I want to say that the Minister must have done a lot of work to come up with this particular Budget which apparently takes care of what Kenyans are aspiring to and expecting. Early this year we experienced a state of anarchy; where we saw Kenyans set fire on each other, a situation that many of us never knew that we would live to witness. We have had some problems in this nation that we would like the Minister to continue addressing as he continues with this Budget. One area where Kenyans have had a lot of problems is equitable in distribution of resources. We have seen that some of the areas have been neglected when it comes to distribution of resources. Corruption has lived with us for quite sometime now and it has caused many Kenyans to live in poverty.

Mr. Temporary Deputy Speaker, Sir, this is the first Budget of the Grand Coalition Government which was formed in the spirit of give and take. I am sure, the Minister captured this point very well in his Budget. One of the reasons that caused problems in our country at the beginning of this year was the failure by the Bomas delegates to come up with a Constitution that Kenyans wanted. This has caused a lot of hiccups here and there. After the Minister read the Budget Speech, many of us did not really understand why the new constitution was not factored. I am glad because, later on, the Minister said he will get funds from the Consolidated Fund to take care of the constitutional review, which I think is very important. If that is done, we expect that what he has put done and what we have been promised will not be changed in the long run.

Mr. Temporary Deputy Speaker, Sir, on the education sector, the Minister did very well to promise that he will make sure that he improves on this sector. We want to thank the Government for the free primary education programme that is currently on and the subsidised secondary education. At least, it is doing a lot for many of our poor families which could not afford fees in the secondary schools.

One area that the Minister must come up and address very strongly is the under-staffing in most of our secondary schools. You find that in a school which goes up to form four, officially, there is only one TSC teacher posted there. That is the principal of that school. Whatever type of person you can imagine of, he or she cannot cover all the subjects that are taught in such an institution. This is an area that we have ignored for quite some time now. I do not understand why this is so, when the officers of the Ministry of Education understand that such situations disadvantage students.

Mr. Temporary Deputy Speaker, Sir, with regard to Early Childhood Development (ECD), the Government has spent quite a lot of money training teachers. But up to now, there has not been a programme which will employ these teachers in our schools, so that they can take care of the very young children in our society. The type of teachers we have in our nursery schools are those that actually have not undergone any training and definitely we do not expect much from them. I am calling upon the Minister to consider employing these teachers.

Mr. Temporary Deputy Speaker, Sir, we have had a lot of sub-divisions in our various districts and constituencies. The old Migori District has now had to be divided into three districts; Kuria, Migori and Rongo. However, earlier on we tried to pool resources together to put up some model centres of learning in certain schools.

Mr. Temporary Deputy Speaker, Sir, at the moment, when you look at Migori, we do not have good schools that can take care of our students, who would like to proceed to universities. I, therefore, request the Minister to consider building at least two model secondary schools in each district, so that we can have access to university education in these areas.

There is this very important issue of the Constituencies Development Fund (CDF). At least we have had some level of equitable distribution of resources in this nation with the birth of the CDF. I do not see why the Minister cannot extend his good heart and hand to ensure that this Fund is increased. In fact, I would propose that if funds are not available currently, in this financial year 2008\2009, we increase it from the current 2.5 per cent to 5 per cent. This is the money that will benefit every corner of this nation. I know many of us would want it to go to 10 per cent, but even if it went up to 5 per cent, I would feel that some justice has been done when we are considering equitable distribution of resources in this country.

The Youth Enterprise Development Fund has been considered, and we appreciate that it has increased to 1.5 billion; he has even given Kshs1 million to each constituency. Those are very good indications that the Minister has the heart to make sure that the youth benefit. We have certain problems that must be addressed at the same time. We would like to have documents which give us guidelines as to how this money is going to be disbursed to the youth. That is not in the pipeline at the moment, and we want the Minister to give us the guideline, so that we know how the money will be disbursed to the youth.

The other fact to be considered is whether this money is to be channelled through the normal banks in our constituencies. In my constituency, Migori, youth are expected to travel to Kisii. The youth may not be able to travel there because they do not even have funds to go to Equity Bank. Why can that money not be channelled to the common banks, which are available in most areas like the Kenya Commercial Banks (KCB), the Co-operative Bank and so on. That will make this money accessible to the youth, so that they can make use of it.

Mr. Temporary Deputy Speaker, Sir, one important factor that has been mentioned by one

hon. Member is that the interest rate that is charged on this money should be as minimal as possible. I think what the Minister should consider this. If this is a revolving fund, that the money is actually returned to the Ministry for other people to use. I do not think that we should have very high rates, which will discourage the youth from accessing the funds.

Mr. Temporary Deputy Speaker, Sir, regarding agriculture, we have made very big mistakes in this country. We are now talking about using billions of shillings to import food to Kenya. This is because of poor planning in the past. If that money had been used under the Ministry of Water and Irrigation to promote irrigation, I am sure that areas like Ukambani and the lake region would have given this country the food that we are going to buy from outside. This is an area that the Minister should consider, because when you start importing food from outside, it shows that you are not planning well for the future.

Mr. Temporary Deputy Speaker, Sir, I have a problem in my constituency with water. River Migori is a permanent river, but you do not find good drinking water in Migori. Why is that happening? It is because of poor planning. We have constructed some dams through the CDF, but they are not functional at the moment. So, Migori Municipality has a big water problem. That should be addressed by the Minister, so that people who live there, and pay taxes, get benefits from this Government.

Let me come to the issue of the sugar factories. We have SONY Sugar Factory. This factory is supposed to benefit the people of that part of Nyanza. I want to say that because of the debts that are being serviced with grants from the Government, it is not very easy for the factory to purchase certain things like tractors, which are required for the development of the sugar-cane industry. There are some parastatals where write-offs of debts have been done. Why can we not request that the debts that are being serviced at SONG Sugar Factory be written off, so that the money is used to buy tractors and other implements?

I support.

Mr. D.M. Muoki: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me the opportunity to also contribute to the Budget Speech. My name is hon. Muoki and I represent the noble people of Mwala.

Mr. Temporary Deputy Speaker, Sir, I also want to support the Budget Speech presented by the Minister for Finance last week. Indeed, the theme of the Budget Speech this year was an appropriate one. It attempts to address issues that have affected this nation for many years. There are issues of the Grand Coalition. Holding Kenya together as one nation and causing our people to think and act as members of one nation and one family called Kenya.

Mr. Temporary Deputy Speaker, Sir, the Minister tried to address historical inequalities in our nation. He went ahead and spoke candidly about the many issues that have affected our people. Some of our areas have been unfairly treated and lag behind in development. Whereas the Minister attempted to address those issues, many questions remain begging for answers.

Take, for example, the issue of food security. Ever since we were young and since Kenya became an independent nation, we have witnessed our parents queuing year in, year out, for food rations almost on a yearly basis. More than 45 years after Independence, Kenya cannot feed its people. We find that an embarrassment and a shame to our nation. A country that has over 60 per cent of its land arable, cannot feed its own people and yet, year in, year out, we hear about billions of shillings that are used to enrich a few people at the expense of the masses. About 45 years after Independence, our people cannot have access to three meals a day. In fact, some of them cannot even have a meal a day. But when there is a food shortage, money is readily available to import very expensive food from our neighbouring countries and overseas. This year alone, we are going to spend in excess of Kshs10 billion to bring foodstuffs from outside this nation; money that is enough to irrigate the whole of Ukambani and provide water to our people and, in so doing,

achieve food security. Sometimes, we wonder whether some of these things are done deliberately so that they can create some businesses for some of our corrupt people. Why can we not in a good year use the Kshs10 billion that will be used to buy food this year to irrigate Ukambani and some other arid areas? Ukambani is a rich part of our country which is capable of providing enough food to feed our nation.

Mr. Temporary Deputy Speaker, Sir, unless we address the issue of inequality effectively, we will remain a nation that cannot be held together. However much we talk about cohesion, we will not be able to achieve it. Look at the roads in our nation. In some areas in this country, there are roads that are Classes D and E that are tarmacked! Yet, in some other areas, roads that are Classes B and C are not tarmacked. There are key roads that are not tarmacked and yet are not even targeted in the budgetary allocations.

Mr. Temporary Deputy Speaker, Sir, indeed, some actions are even embarrassing. In my own constituency, a road that connects Yatta and Mwala districts was advertised for tarmacking last November, but when you look at the allocation for this financial year, there is no money that has been allocated for the construction of the road, yet the Government went ahead to seek our votes by advertising for the tarmacking of that road. These are some of the inequalities that make some of us feel like we are lesser Kenyans than others. We demand that the money that is being allocated for the construction of roads this year, there be a fair distribution of the same so that many areas can be reached. Even some areas can be favoured in terms of getting more allocation than others, so as to achieve faster development in those areas and provide means for faster development. A poor road network makes doing business very expensive. We demand that allocation of development funds be done fairly.

Mr. Temporary Deputy Speaker, Sir, in the Budget, the Minister talked about Kshs280 million to develop classrooms and new secondary schools. I wonder which schools he meant, because he did not say which areas these schools are going to be built. You wonder why the Minister could not increase allocation to the CDF. We know that money from the CDF has been used in the construction of classrooms. We are the people at the grassroots who can access areas that have secondary schools which do not have enough classrooms. Instead of keeping CDF allocation at the same level and yet the money from CDF has been proved to be able to accelerate development--- It is the only devolved fund that reaches the poorest of the poor in our nation. We demand some of the money that is being allocated to areas that are not clearly spelt out, to be channelled through the CDF kitty so that we can accelerate development equally in all the constituencies.

In fact, Members of this august House would not mind being taxed if the CDF money was increased threefold. Instead of conducting fundraising meetings every weekend or midweek, we would be able to meet some of our people's needs. The money from CDF is the only money that reaches people at the grassroots, where the poor of our country live. We pray that future Budgets will consider increasing the CDF money so that we can alleviate poverty in our country.

Mr. Temporary Deputy Speaker, Sir, in the Budget Speech, the Minister talked of increasing the quality of our health services. However, as you travel across this nation, you find clinics and dispensaries that are manned by health workers or nurses who also double up as general practitioners. They do everything from washing, prescribing and so on. We do not consider the money that is allocated for the provision of healthcare adequate. More money should be allocated to health services in this nation. More health workers should be employed. Clinical Officers should be posted to all health centres so that our people get quality healthcare and not just a semblance of it. Our people need that quality healthcare. Our dispensaries and health centres should be equipped and have qualified staff.

Kenya is an agricultural country. We have employed agricultural extension officers all over

the country. They report to their offices but have nothing to do. They cannot move because they have no means of transport. There are no vehicles. They do not have equipment to help them do the work they are employed to do. Money should be set aside to assist these officers who can do a very commendable job. Their services are required by our people. They need facilitation to enable them move from one place to another and, therefore, increase our agricultural capacity.

I support the Budget Speech.

Mr. Mwaita: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to contribute to this Motion on the Budget Speech. First, I wish to note, with appreciation, the theme of the Budget, which was well expounded by the Minister. The theme is: "Working together to build a cohesive, equitable and prosperous nation". It cannot be any better.

Mr. Temporary Deputy Speaker, Sir, I also noted that the Minister zeroed in on a number of areas, which are very key in the development of our country. One area was restoring economic growth and expanding opportunities for all Kenyans, and not just for a few individuals in this country. The Budget also focused on reduction of poverty, which is a major problem in this country. It is no wonder that we had problems at the beginning of the year, particularly after the general election. Poverty among our youth was noted as a major contributor to the post-election crisis. Therefore, when the Budget touched on this area, I was very happy. I congratulate the Minister for focusing on the reduction of poverty, deepening reforms in the financial sector and the general contribution to national development.

Mr. Temporary Deputy Speaker, Sir, I wish to comment on a number of areas which the Minister, in his Speech, touched on. First was the operationalisation of the Micro Finance Act, which a number of hon. Members in this House had raised issues about. This Act was passed by this House and it has never been operationalised. A number of points and questions were raised by hon. Members of this House. Time and again the Minister has said that the regulations to govern the micro-finance institutions in this country have not been published. I wish to commend him for saying in his Budget Speech that these regulations have now been finalised, and that the Act will be operationalised in the next financial year.

Mr. Temporary Deputy Speaker, Sir, in this regard, I wish to note that in my constituency there is a financial services association, loosely registered under the Social Services Department. This association has over 8,000 members. It is called "Kabarnet FSA Self Help Group". It has loaned well over Kshs47 million over the last four years it has been in operation. I hope that when the Act is operationalised, institutions like Kabarnet FSA Self Help Group will be considered for registration, because of the role they are playing. It has given out over Kshs47 million in loans to its members to do various businesses, particularly within the constituency; it has actually reduced poverty in a big way. This is especially so for loans given to the *Jua Kali* sector. I urge the Minister to fast-track the implementation of this Act immediately the new financial year takes off.

Mr. Temporary Deputy Speaker, Sir, I know time is running out. I hope I will get more time in the next Sitting, but I wish to comment on the issue of construction of roads. The Minister, in Paragraph 28 of his Speech, indicated that he has set aside Kshs65 billion for construction of new roads and maintenance of existing ones. This amount, given the total amount of the Budget this year, is not enough. There is a certain road in my constituency which serves the Western Tourist Circuit. This road needs to be developed. This road links Mt. Kenya to western Kenya. It starts at Karandi and runs through Mochongoi and all the way to Marigat. If this road is developed to bitumen standard, tourism in that area will be accelerated. That will create jobs and opportunities for our people.

The Temporary Deputy Speaker (Prof. Kaloki): Order, Mr. Mwaita! Time is up! When debate on this Motion resumes, we will begin with you.

ADJOURNMENT**The Temporary Deputy Speaker**

(Prof. Kaloki): Hon. Members, it is now 6.35 p.m. It is time to interrupt the proceedings of this House. The House is, therefore, adjourned until Tuesday, 24th June, 2008 at 2.30 p.m.

The House rose at 6.35 p.m.